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HOUSE OF REPRESENTATIVES
REPORT
99-955

REHABILITATION ACT AMENDMENTS OF 1986

OCTOBER 2, 1986.—Ordered to be printed

Mr. HAWKINS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 4021]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4021) to extend and improve the Rehabilitation Act of 1973, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Rehabilitation Act Amendments of 1986".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

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TITLE I—AMENDMENTS TO THE GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

Section 2 of the Rehabilitation Act of 1973 (hereinafter referred to as the "Act") is amended by inserting immediately before the period at the end thereof a comma and "for individuals with handicaps in order to maximize their employability, independence, and integration into the workplace and the community".

SEC. 102. REHABILITATION SERVICES ADMINISTRATION.

(a) QUALIFICATION OF COMMISSIONER.—Section 3 of the Act is amended by inserting after the second sentence the following new sentence: "The Commissioner shall be an individual with substantial experience in rehabilitation and in rehabilitation program management.".

(b) STAFFING.—Section 3 of the Act is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall take such action as necessary to ensure that—

"(1) the staffing of the Rehabilitation Services Administration shall be in sufficient numbers to meet program needs and at levels which will attract and maintain the most qualified personnel; and

"(2) such staff includes individuals who have training and experience in the provision of rehabilitation services and that staff competencies meet professional standards.".

SEC. 103. DEFINITIONS.

(a) EVALUATION OF REHABILITATION POTENTIAL.—Paragraph (5) of section 7 of the Act is amended—

(1) by inserting "recreational," in subparagraph (B) after "cultural, social,";

(2) by inserting "employability" after "individual's" the second time it appears;

(3) by striking out "and" at the end of subparagraph (F);

(4) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof a semicolon and "and"; and

(5) by adding at the end thereof the following new subparagraph:

"(H) where appropriate, the provision of rehabilitation engineering services to any individual with a handicap to assess and develop the individual's capacities to perform adequately in a work environment.".

(b) EMPLOYABILITY.—Section 7 of the Act is amended by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) The term 'employability', with respect to an individual, means a determination that, with the provision of vocational rehabilitation services, the individual is likely to enter or retain, as a primary objective, full-time employment, and when appropriate, part-time employment, consistent with the capacities or abilities of the individual in the competitive labor market or any other vocational outcome the Secretary may determine consistent with this Act.".

(c) FEDERAL SHARE.—

(1) Effective October 1, 1988, section 7(7) of the Act (as redesignated by subsection (b)) is amended to read as follows:

"(7)(A) Subject to subparagraphs (B) and (C), the term 'Federal share' means 80 percent.

"(B) For any fiscal year for which payments to a State under section 111(a) exceed such payments for fiscal year 1988, the Federal share for those payments in excess of the fiscal year 1988 amount shall be 79 percent for fiscal year 1989, 78 percent for fiscal year 1990, 77 percent for fiscal year 1991, 76 percent for fiscal year 1992, and 75 percent for fiscal year 1993.

"(C) The term 'Federal share' means 90 percent for the purposes of part C of title I of this Act and as specifically set forth in section 301(b)(3), except that with respect to payments pursuant to part B of title I of this Act to any State which are used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301(b)(3) applicable with respect to the State.

"(D) For the purpose of determining the non-Federal share with respect to a State, expenditures by a political subdivision thereof or by a local agency shall be regarded as expenditures by such State, subject to such limitations and conditions as the Secretary shall by regulation prescribe.".

(2) Effective October 1, 1988, section 110(b)(2) of the Act is amended by striking out "80 percent" both places it appears and inserting in lieu thereof "the applicable Federal share".

(d) HANDICAPPED INDIVIDUAL.—

(1) Section 7(8) of the Act (as redesignated by subsection (b)) is amended by striking out "handicapped individual" both places it appears and inserting in lieu thereof "individual with handicaps"; and

(2) The Act is amended—

(A) by striking out "a handicapped individual" each place it appears and inserting in lieu thereof "an individual with handicaps";

(B) by striking out "handicapped individual" each place it appears and inserting in lieu thereof "individual with handicaps"; and

(C) by striking out "handicapped individuals" each place it appears and inserting in lieu thereof "individuals with handicaps".

(e) LOCAL AGENCY.—Section 7(9) of the Act (as redesignated by subsection (b)) is amended in the first sentence by striking out "Indian tribal organization (or combination of such units or organizations)" and inserting "Indian tribe (or combination of such units or tribes)".

(f) REHABILITATION ENGINEERING.—Section 7 of the Act is further amended by redesignating paragraphs (11), (12), and (13) as paragraphs (13), (14), and (15), respectively, and by inserting before paragraph (13) (as redesignated) the following new paragraph:

"(12) The term 'rehabilitation engineering' means the systematic application of technologies, engineering methodologies, or scientific

principles to meet the needs of and address the barriers confronted by individuals with handicaps in areas which include education, rehabilitation, employment, transportation, independent living, and recreation.".

(g) REHABILITATION FACILITY.—Paragraph (13) of section 7 of the Act (as redesignated by subsection (f) of this section) is amended—

(1) by striking out "and" at the end of subparagraph (K);

(2) by striking out the period at the end of subparagraph (L) and inserting in lieu thereof a comma and "and"; and

(3) by adding at the end thereof "(M) psychosocial rehabilitation services for individuals with chronic mental illness.".

(h) SEVERE HANDICAP.—

(1) Paragraph (15) of section 7 of the Act (as redesignated by subsection (c)) is amended to read as follows:

"(15)(A) Except as provided in subparagraph (B), for purposes of this Act the term 'individual with severe handicaps' means an individual with handicaps (as defined in paragraph (8))—

"(i) who has a severe physical or mental disability which seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of employability;

"(ii) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and

"(iii) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an evaluation of rehabilitation potential to cause comparable substantial functional limitation.

"(B) For purposes of title VII of this Act the term 'individual with severe handicaps' means an individual whose ability to function independently in family or community or whose ability to engage or continue in employment is so limited by the severity of his or her physical or mental disability that independent living rehabilitation services are required in order to achieve a greater level of independence in functioning in family or community or engaging or continuing in employment.".

(2) The Act is amended by striking out "severely handicapped individuals" each place it appears and inserting in lieu thereof "individuals with severe handicaps".

(i) SUPPORTED EMPLOYMENT.—Section 7 of the Act is further amended—

(1) by redesignating paragraphs (14) and (15) as paragraphs (16) and (17), respectively; and

(2) by adding at the end thereof the following new paragraph:

"(18) The term 'supported employment' means competitive work in integrated work settings—

"(A) for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or

"(B) for individuals for whom competitive employment has been interrupted or intermittent as a result of a severe disability, and

who, because of their handicap, need on-going support services to perform such work. Such term includes transitional employment for individuals with chronic mental illness. For the purpose of this Act, supported employment as defined in this paragraph may be considered an acceptable outcome for employability.".

(j) INDIAN.—Section 7 of the Act is further amended by inserting at the end thereof the following new paragraphs:

"(19) The term 'public or nonprofit agency or organization' shall include an Indian tribe.

"(20) The terms 'Indian', 'American Indian', and 'Indian American' mean an individual who is a member of an Indian tribe.

"(21) The term 'Indian tribe' means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaskan native village or regional village corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act).".

SEC. 104. MONITORING, EVALUATION, AND ADMINISTRATION.

(a) MONITORING AND EVALUATION.—Section 12(a) of the Act is amended by striking out paragraph (5) and inserting in lieu thereof the following new paragraph:

"(5) provide monitoring and conduct evaluations.".

(b) INFORMATION TASK FORCE.—Section 12(b) of the Act is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) In carrying out the provisions of this Act, the Commissioner shall appoint such task forces as may be necessary to collect and disseminate information in order to improve the ability of the Commissioner to carry out the provisions of this Act.".

SEC. 105. REPORTS.

Section 13 of the Act is amended—

(1) in the first sentence by striking out "for transmittal" and inserting in lieu thereof "and";

(2) by striking out the period at the end of the first sentence and inserting in lieu thereof ", including the activities and staffing of the information clearinghouse under section 15."; and

(3) by inserting at the end thereof "The annual report shall include an evaluation of the status of individuals with severe handicaps participating in programs under this Act.".

SEC. 106. EVALUATION.

(a) EVALUATION GENERAL RULE.—The first sentence of section 14(a) of the Act is amended to read as follows: "For the purpose of improving program management and effectiveness, the Commissioner shall evaluate all the programs authorized by this Act, their gen-

eral effectiveness in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, using appropriate methodology and evaluative research designs.".

(b) REPORT OF THE COMMISSIONER.—Section 14(c) of the Act is amended by inserting "including the standards used for such evaluations," after "effectiveness,".

(c) USE OF STANDARDS.—Section 14 of the Act is amended by striking out "Secretary" each time it appears and inserting in lieu thereof "Commissioner".

SEC. 107. TRANSFER OF FUNDS.

Section 16 of the Act is amended to read as follows:

"TRANSFER OF FUNDS

"SEC. 16. (a) Except as provided in subsection (b) of this section, no funds appropriated under this Act for any research program or activity may be used for any purpose other than that for which the funds were specifically authorized.

"(b) No more than one-half of 1 percent of funds appropriated for discretionary grants, contracts, or cooperative agreements authorized by this Act may be used for the purpose of providing non-Federal panels of experts to review applications for such grants, contracts, or cooperative agreements.".

SEC. 108. STATE ADMINISTRATION.

(a) STATE ADMINISTRATION.—The Act is amended by inserting after section 16 the following new section:

"STATE ADMINISTRATION

"SEC. 17. The application of any State rule or policy relating to the administration or operation of programs funded by this Act (including any rule or policy based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 16 the following:

"Sec. 17. State administration.".

SEC. 109. REVIEW OF APPLICATIONS.

(a) REVIEW AUTHORIZED.—The Act is amended by inserting after section 17 (as added by section 108) the following new section:

"REVIEW OF APPLICATIONS

"SEC. 18. Applications for grants or contracts in excess of $60,000 in the aggregate authorized to be funded under this Act other than grants or contracts for evaluations, dissemination, or conferences shall be reviewed by panels of experts which shall include a majority of non-Federal members. Non-Federal members may be provided travel, per diem, and consultant fees not to exceed the rate provided for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 16 the following:

"Sec. 18. Review of applications.".

TITLE II—VOCATIONAL REHABILITATION SERVICES

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) STATE GRANT AUTHORIZATION.—Section 100(b)(1) of the Act is amended to read as follows—

"(b)(1)(A) For the purpose of making grants to States under part B of this title (other than grants under section 112) to assist States in meeting the costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $1,281,000,000 for fiscal year 1987 and the amount determined under subsection (c) for each of the fiscal years 1988, 1989, 1990, and 1991. The amount determined under subsection (c) for each fiscal year shall be based upon the amount authorized by this subsection, or the amount appropriated for this subsection, whichever is higher, plus the amount determined under subsection (c) for the immediately preceding fiscal year.

"(B) In addition, there are authorized to be appropriated for such purpose such additional sums as may be necessary for each of the fiscal years 1987 through 1991. Any such sums shall be allocated in accordance with section 110(a)(4).

"(C) In no event may the amount appropriated for the purpose of making grants to States under part B of this title (other than section 112) be more than $1,281,000,000 for fiscal year 1987, $1,409,100,000 for fiscal year 1988, $1,550,010,000 for fiscal year 1989, $1,705,011,000 for fiscal year 1990, and $1,875,512,100 for fiscal year 1991.".

(b) INNOVATION AND EXPANSION GRANTS AUTHORIZATION.—Section 100(b)(2) of the Act is amended to read as follows:

"(2) For the purpose of allotments under section 120(a)(1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.".

(c) CONFORMING AMENDMENT.—Section 100(d) of the Act is amended by striking out "1986" and inserting "1991".

SEC. 202. STATE PLANS.

(a) ASSESSMENT OF REHABILITATION NEEDS.—

(1) Section 101(a)(5)(A) of the Act is amended—

(A) by inserting "the results of a comprehensive, Statewide assessment of the rehabilitation needs of individuals with severe handicaps residing within the State and the State's response to the assessment," after "including";

(B) by inserting after "severe handicaps" the first time it appears, the following: "including individuals served under part C of title VI of this Act,";

(C) by striking out "show (i)" and inserting in lieu thereof "(i) show and provide the justification for"; and

(D) by inserting "show" after "(ii)".

(2) Section 101(a)(5) of the Act is amended—

(A) by striking out "and" at the end of subclause (A);

(B) by inserting "and" at the end of subclause (B); and

(C) by adding at the end thereof the following new subclause:

"(C) describe how rehabilitation engineering services will be provided to assist an increasing number of individuals with handicaps;".

(b) PERSONNEL.—Section 101(a)(7)(B) of the Act is amended by inserting "qualified" after "facilities and".

(c) PROVISION OF SERVICES.—Section 101(a)(8) of the Act is amended to read as follows:

"(8) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) and clause (12) of section 103(a), and for the provision of such other services as are specified under such section after a determination that comparable services and benefits are not available under any other program, except that such determinations shall not be required where it would delay the provision of such services to any individual at extreme medical risk;".

(d) COOPERATIVE ARRANGEMENTS.—Section 101(a)(11) of the Act is amended by inserting "community mental health programs," after "veterans programs,".

(e) NEEDS ASSESSMENT.—Section 101(a)(15) of the Act is amended—

(1) by striking out "(including" and inserting in lieu thereof ", including conducting a full needs assessment for serving individuals with severe handicaps and including"; and

(2) by striking out "agency)" and inserting in lieu thereof "agency".

(f) CONSULTATION WITH INDIAN TRIBES.—Section 101(a)(20) of the Act is amended by inserting "as appropriate, the State shall actively consult with Indian tribes and tribal organizations and native Hawaiian organizations in the development of the State plan, and that," after "Commissioner that,".

(g) PUBLIC MEETINGS; TRANSITION.—Section 101(a) of the Act is amended—

(1) in paragraph (21) by striking out "and" after "organizations;";

(2) in paragraph (22) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by inserting at the end thereof the following new paragraphs:

"(23)(A) provide satisfactory assurances that in the formulation of policies governing the provision of the rehabilitation services consistent with the State plan, and any revisions, that the State agency conducts public meetings throughout the State, after appropriate and sufficient notice, to allow interested groups and organizations and all segments of the public an opportunity to comment on the State plan, and (B) include a summary of such comments and the State agency's response to such comments;

"(24) contain the plans, policies, and methods to be followed to assist in the transition from education to employment related activities.".

(h) SUPPORTED EMPLOYMENT SERVICES.—Section 101(a) of the Act (as amended by subsection (g))—

(1) by striking out the period at the end of clause (24) and inserting in lieu thereof a semicolon and the word "and"; and

(2) by adding at the end thereof the following new clause:

"(25) provide satisfactory assurances that the State has an acceptable plan for part C of title VI.".

SEC. 203. INDIVIDUALIZED REHABILITATION PROGRAM.

(a) INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM.—Section 102(b) of the Act is amended to read as follows:

"(b)(1) Each individualized written rehabilitation program shall—

"(A) be developed on the basis of a determination of employability designed to achieve the vocational objective of the individual;

"(B) include a statement of the long-range rehabilitation goals based on an assessment determined through an evaluation of rehabilitation potential for the individual;

"(C) include a statement of the intermediate rehabilitation objectives related to the attainment of such goals based on an assessment determined through an evaluation of rehabilitation potential;

"(D) where appropriate, include a statement of the specific rehabilitation engineering services to be provided to assist in the implementation of intermediate objectives and long-range rehabilitation goals for the individual;

"(E) include an assessment of the expected need for post-employment services;

"(F) include a statement of the specific vocational rehabilitation services to be provided and the projected dates for the initiation and the anticipated duration of each such service;

"(G) include objective criteria and an evaluation procedure and schedule for determining whether such goals and objectives are being achieved;

"(H) provide for a reassessment of the need for post-employment services prior to case closure and, where appropriate, for severely handicapped individuals, the development of a statement detailing how such services shall be provided or arranged through cooperative agreements with other service providers; and

"(I) provide a description of the availability of a client assistance project established in such area pursuant to section 112.

"(2) Each individualized written rehabilitation program shall be reviewed annually at which time such individual (or in appropriate cases, the parents or guardian of the individual) will be afforded an opportunity to review such program and jointly redevelop and agree to its terms. Each individualized written rehabilitation program shall be revised as needed.".

(b) REVIEW OF DETERMINATIONS.—Section 102(d) of the Act is amended to read as follows:

"(d)(1) Except as provided in paragraph (4), the Director of any designated State unit shall establish procedures for the review of determinations made by the rehabilitation counselor or coordinator under this section, upon the request of an individual with handi-

caps (or, in appropriate cases, such individual's parents or guardian).

"(2) Such review procedures shall provide an opportunity to such individuals for the submission of additional evidence and information to an impartial hearing officer who shall make a decision based on the provisions of the State plan approved under section 101(a).

"(3)(A) Within 20 days of the mailing of the decision to the individual with handicaps (or, in appropriate cases, such individual's parents or guardian), the Director shall notify such individuals of the intent to review such decision in whole or in part.

"(B) If the Director decides to review the decision, such individuals shall be provided an opportunity for the submission of additional evidence and information relevant to a final decision.

"(C) A final decision shall be made in writing by the Director and shall include a full report of the findings and the grounds for such decision. When a final decision is made, a copy of such decision shall be provided to such individuals.

"(D) Except as provided in paragraph (4), the Director may not delegate responsibility to make any such final decision to any other officer or employee of the designated State unit.

"(4)(A) A fair hearing board, established by a State before January 1, 1985, and authorized under State law to review determinations under this Act, is authorized to carry out the responsibilities of the Director under this subsection.

"(B) The provisions of paragraphs (1) through (3) of this subsection shall not apply to any State to which subparagraph (A) of this paragraph applies.".

"(5)(A) The Director shall collect data described in subparagraph (B) and prepare and submit to the Commissioner a report containing such data. For the report submitted on or before February 1, 1988, the Commissioner shall prepare a summary of the information furnished under this paragraph and include the summary in the annual report submitted under section 13.

"(B) The data required to be collected under this paragraph shall include—

"(1) a description of State procedures for review;

"(2) the number of appeals to the independent hearing officer and the State Director, including the type of complaint and the issues involved;

"(3) the number of decisions by the State Director reversing in whole or in part the decision of the impartial hearing officer; and

"(4) the number of decisions affirming the position of the individual with handicaps assisted through the client assistance program.".

SEC. 204. SCOPE OF VOCATIONAL REHABILITATION SERVICES.

(a) REHABILITATION TECHNOLOGY.—Section 103(a)(1) of the Act is amended by inserting "evaluation by personnel skilled in rehabilitation engineering technology," after "appropriate,".

(b) POSTEMPLOYMENT SERVICES.—Section 103(a)(2) of the Act is amended by striking out "other postemployment services necessary to assist such individuals to maintain their employment and" and

insert in lieu thereof "specific postemployment services necessary to assist such individuals maintain or regain employment, and other".

(c) REHABILITATION ENGINEERING SERVICES.—Section 103(a) of the Act is amended—

(1) by striking out "and" at the end of clause (10);

(2) by striking out the period at the end of clause (11) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new clause:

"(12) rehabilitation engineering services.".

SEC. 205. NON-FEDERAL SHARE FOR CONSTRUCTION.

Section 104 of the Act is amended by striking out "title," and inserting in lieu thereof "title (or to an Indian tribe under part D of this title),".

SEC. 206. STATE ALLOTMENTS.

(a) ADDITIONAL PAYMENTS.—Section 110(b)(2) of the Act is amended—

(1) by striking out ", as a result of the maintenance of effort provisions of such section,"; and

(2) by inserting "for fiscal year 1972" after "of such State".

(b) REALLOTMENT.—Section 110(c) of the Act is amended to read as follows:

"(c)(1) Not later than forty-five days prior to the end of the fiscal year, the Commissioner shall determine, after reasonable opportunity for the submission to the Commissioner of comments by the State agency administering or supervising the program established under this title, that any payment of an allotment to a State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title.

"(2) As soon as practicable but not later than the end of the fiscal year, the Commissioner shall make such amount available for carrying out the purposes of this title to one or more other States to the extent the Commissioner determines that such other State will be able to use such additional amount during that fiscal year or to pay for initial expenditures during the subsequent fiscal year for carrying out such purposes.

"(3) For the purposes of this part, any amount made available to a State for any fiscal year pursuant to this subsection shall be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.".

SEC. 207. FUNDS FOR AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES.

Section 110 of the Act is amended—

(1) in subsection (a)(1) by striking out "For" and inserting in lieu thereof "Subject to the provisions of subsection (d), for"; and

(2) by inserting after subsection (c) the following subsection:

"(d)(1) For fiscal year 1987 and for each subsequent fiscal year, the Commissioner shall reserve from the amount appropriated under section 100(b)(1) for allotment under this section a sum, determined under paragraph (2), to carry out the purposes of part D of this title.

"(2) For any fiscal year the sum shall be not less than ¼ of one percent and not more than one percent of the amount under paragraph (1), as determined by the Secretary.".

SEC. 208. PAYMENTS TO STATES; MAINTENANCE OF EFFORT.

Section 111(a) of the Act is amended to read as follows:

"SEC. 111. (a)(1) Except as provided in paragraph (2), from each State's allotment under this part for any fiscal year (including any additional payment to it under section 110(b)), the Commissioner shall pay to a State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for that State approved under section 101, including expenditures for the administration of the State plan.

"(2)(A) The total of payments under paragraph (1) to a State for a fiscal year may not exceed its allotment under subsection (a) (and any additional payment under subsection (b)), of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by section 101(a)(17).

"(B) The amount otherwise payable to a State for a fiscal year under this section shall be reduced by any amount by which expenditures from non-Federal sources under the State plan during such year under this title are less than the average of the total of such expenditures for the three preceding fiscal years.

"(C) The Commissioner may waive or modify any requirement or limitation under paragraphs (A) and (B) if the Commissioner determines that a waiver or modification is an equitable response to exceptional or uncontrollable circumstances affecting the State.".

SEC. 209. CLIENT ASSISTANCE PROGRAM.

(a) INFORMATION ON AVAILABLE SERVICES.—Section 112(a) of the Act is amended by adding at the end thereof the following new sentence: "The client assistance program may provide information on the available services under this Act to any handicapped individuals in the State.".

(b) REDESIGNATION OF CLIENT ASSISTANCE AGENCY.—

(1) The last sentence of section 112(c)(1) of the Act is amended by inserting after "may" a comma and the following: "in the initial designation,".

(2) Section 112(c)(1) of the Act is amended—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end thereof the following new paragraph:

"(B) The Governor may not redesignate the agency designated under subparagraph (A) without good cause and only after notice and an opportunity for public comment has been given of the intention to make such redesignation.".

(c) PAYMENT OF ALLOTMENT.—Section 112(e)(3) of the Act is amended to read as follows:

"(3) Except as specifically prohibited by or as otherwise provided in State law, the Secretary shall pay to the agency designated under subsection (c) the amount specified in the application approved under subsection (f).".

(d) ALLOTMENT.—Paragraph (1) of section 112(e) of the Act is amended by inserting at the end thereof the following new subparagraph:

"(D)(i) In any fiscal year that the funds appropriated for such fiscal year exceed $7,500,000, the minimum allotment shall be $75,000 for States and $45,000 for territories.

"(ii) Subject to subsection (c), the Commissioner may increase the minimum allotment under subparagraph (A) for any fiscal year for which funds appropriated under this section for such fiscal year exceed the sums appropriated under this section for the preceding fiscal year by more than the percentage increase in the Consumer Price Index published monthly by the Bureau of Labor Statistics.".

(e) EMPLOYEE PROVISION.—Paragraph (1) of section 112(g) of the Act is amended by striking out ", or receive benefits of any kind directly or indirectly from".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 112(i) of the Act is amended to read as follows:

"(i) There are authorized to be appropriated $7,100,000 for fiscal year 1987, $7,550,000 for fiscal year 1988, $8,000,000 for fiscal year 1989, $8,450,000 for fiscal year 1990, and $8,796,000 for fiscal year 1991 to carry out the provisions of this section.".

SEC. 210. PAYMENTS TO STATES.

Section 121(b) of the Act is amended in the first sentence by striking out "the fiscal year ending September 30, 1986." and inserting in lieu thereof "fiscal year 1991.".

SEC. 211. AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES GRANTS.

(a) GRANTS.—Section 130(a) of the Act is amended to read as follows:

"SEC. 130. (a) The Commissioner, in accordance with the provisions of this part may make grants to the governing bodies of Indian tribes located on Federal and State reservations (and consortia of such governing bodies) to pay 90 percent of the costs of vocational rehabilitation services for handicapped American Indians residing on such reservations. The non-Federal share of such costs may be in cash or in kind, fairly valued, and the Commissioner may waive such non-Federal share requirement in order to carry out the purposes of this Act.".

(b) APPLICATION.—Section 130(b) of the Act is amended—

(1) in paragraph (1)(B) by inserting immediately before the semicolon "and that, where appropriate, may include services traditionally used by Indian tribes";

(2) in paragraph (3) after "months" by inserting "or more than 36 months,"; and

(3) by inserting after paragraph (3) the following new paragraphs:

"(4) In making grants under this part, the Secretary shall give priority consideration to applications for the continuation of programs which have been funded under this part.

"(5) Nothing in this section may be construed to authorize a separate service delivery system for Indian residents of a State who reside in non-reservation areas.".

(c) ALLOTMENT.—Section 130 of the Act is amended by striking out all of subsection (c) and by redesignating subsection (d) as subsection (c).

SEC. 212. STUDY OF NEEDS OF AMERICAN INDIANS WITH HANDICAPS.

(a) STUDY OF NEEDS OF AMERICAN INDIANS WITH HANDICAPS.—Part D of title I of the Act is amended by inserting at the end thereof the following new section:

"STUDY OF NEEDS OF AMERICAN INDIANS WITH HANDICAPS

"SEC. 132. The Secretary shall conduct a study on the special problems and needs of Indians with handicaps both on and off the reservation, in consultation with the Director of the Office of Special Education and Rehabilitative Services, the Director of the National Institute on Disability and Rehabilitation Research, the Assistant Secretary of the Interior for Indian Affairs, the Director of Indian Health Services, representatives of affected Indian tribes and tribal groups, and other appropriate officials, organizations, and individuals. The study shall also evaluate the nature and extent of cooperative efforts among programs conducted under this Act. Not later than 12 months after the date of enactment of the Rehabilitation Act Amendments of 1986, the Secretary shall submit the results of such study, together with such recommendations as are appropriate, to the President and to the appropriate committees of the Congress.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 131 the following:

"Sec. 132. Study of needs of handicapped American Indians.".

TITLE III—RESEARCH AND TRAINING

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 201(a) of the Act is amended to read as follows:

"SEC. 201. (a) There are authorized to be appropriated—

"(1) for the purpose of providing for the expenses of the National Institute on Disability and Rehabilitation Research under section 202, other than expenses to carry out section 204, such sums as may be necessary for fiscal year 1987 and for each succeeding fiscal year ending prior to October 1, 1991; and

"(2) $49,000,000 for fiscal year 1987, $52,000,000 for fiscal year 1988, $55,000,000 for fiscal year 1989, $58,000,000 for fiscal year 1990, and $60,378,500 for fiscal year 1991 for the purpose of carrying out section 204, of which $1,000,000 shall be available for fiscal year 1987, $1,050,000 for fiscal year 1988, $1,102,500 for fiscal year 1989, $1,160,000 for fiscal year 1990, and $1,208,000 for fiscal year 1991 for the purpose of carrying out the last sentence of section 204(b)(2)(C).".

SEC. 302. REDESIGNATION OF NATIONAL INSTITUTE.

(a) REDESIGNATION.—Section 202 of the Act is amended by redesignating the "National Institute of Handicapped Research" as the "National Institute on Disability and Rehabilitation Research".

(b) REFERENCES.—The Act is amended by striking out "National Institute of Handicapped Research" each place it appears in the Act

(including the table of contents) and inserting in lieu thereof "National Institute on Disability and Rehabilitation Research". Any reference in any other provision of law to the "National Institute of Handicapped Research" shall be considered to be a reference to the "National Institute on Disability and Rehabilitation Research".

SEC. 303. NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION RESEARCH.

(a) AMERICAN INDIAN SERVICES.—Section 202(b) of the Act is amended—

(1) in paragraph (2) by inserting "tribal," after "State,"; and

(2) in paragraph (8) by inserting "the Bureau of Indian Affairs, the Indian Health Service," after "Administration,".

(b) PACIFIC BASIN REHABILITATION CENTER.—Section 202(j)(2) of the Act is amended—

(1) by inserting immediately before the period the following: "in order to improve services to individuals with handicaps through relevant rehabilitation research and training in the Pacific Basin and to assist in the coordination of rehabilitation services provided by a broad range of agencies and entities; and

(2) by adding at the end thereof the following: "Such Center shall (A) develop a sound demographic base, (B) analyze, develop, and utilize appropriate technology, (C) develop a culturally relevant rehabilitation manpower development program, and (D) facilitate interagency communication and cooperation, implementing advanced information technology.".

(c) RURAL REHABILITATION CENTER.—Section 202(j) of the Act is amended by inserting at the end thereof the following new paragraph:

"(3) The Director shall establish, directly or by grant or contract, a center associated with an institution of higher education, for research and training concerning the delivery of rehabilitation services to rural areas.".

(d) GRANTS FOR TRAINING.—Section 202 of the Act is amended by inserting after subsection (j) the following subsection:

"(k) The Director shall make grants to institutions of higher education for the training of researchers in the field of rehabilitation of individuals with handicaps.".

(e) REPORT TO CONGRESS.—Section 202 of the Act is amended by inserting after subsection (k) the following new subsection:

"(l) The Director shall submit to the Congress, not later than one year after the date of the enactment of the Rehabilitation Act Amendments of 1986, policy recommendations for the establishment by the Congress of an agency designed to ensure (1) the development and cost-effective production and marketing of technological devices; and (2) the efficient distribution of such technology to individuals with handicaps. Such recommendations shall specifically evaluate the feasibility of the chartering by Congress of a private organization or the establishment of a joint public-private corporation to provide marketing and production-related services to the public and private sectors. The policy recommendation shall include suggested funding alternatives for an organization or agency and such other suggestions as the Director or the Committee on Handicapped Research may consider appropriate. Further such recommendations

shall consider any potential conflicts of interest in the evaluation and marketing of new products for use by individuals with handicaps. In developing such policy recommendations, the Director shall solicit the views of the Interagency Committee on Handicapped Research and shall submit any dissenting views offered by any member of that Committee together with the submission of policy recommendations.".

(f) STUDY OF HEALTH INSURANCE PRACTICES.—Section 202 of the Act is amended by inserting after subsection (l) the following subsection:

"(m) The Director shall conduct a study of health insurance practices and policies which affect individuals with handicaps. Not later than February 1, 1990, the Director shall submit a report of the study to the appropriate committees of the Congress.".

SEC. 304. COMPOSITION OF INTERAGENCY COMMITTEE.

Section 203(a)(1) of the Act is amended—

(1) by inserting "the Director of the National Institute of Mental Health," after "Institutes of Health,"; and

(2) by inserting "the Assistant Secretary of the Interior for Indian Affairs, the Director of the Indian Health Service," after "Transportation,".

SEC. 305. RESEARCH.

(a) RESEARCH ACTIVITIES.—Section 204(a) of the Act is amended in the first sentence by inserting "Indian tribes, and tribal organizations," after "education,".

(b) GENERAL AUTHORITY.—Section 204(a) of the Act is amended in the second sentence—

(1) by inserting "recreational," after "vocational, social,"; and

(2) by inserting "studies, analyses, and other activities related to supported employment;" after "special needs of handicapped individuals;".

(c) SPECIALIZED RESEARCH ACTIVITIES.—(1) Section 204(b) of the Act is amended—

(A) in the second sentence of paragraph (1) by striking out "Center," and inserting in lieu thereof "Center (and as appropriate shall include consideration of rural issues),";

(B) by adding at the end of paragraph (1) the following: "The peer review of all applications for the renewal of a Rehabilitation Research and Training Center grant shall take into account the past performance of the applicant in carrying out the grant. The host institution with which the Rehabilitation Research and Training Center is affiliated may not collect in excess of 15 percent in indirect cost charges. Beginning with fiscal year 1991, awards under clause (C) of this paragraph shall be made on a competitive basis.".

(2) Section 204(b)(2) of the Act is amended—

(A) by inserting "and disseminate" after "develop" in clause (A);

(B) by striking out "and to (B)" and inserting in lieu thereof "(B) demonstrate and disseminate innovative models for the delivery to rural and urban areas of cost-effective rehabilitation engineering services that promote utilization of engineering and other scientific research to assist in meeting the employment

and independent living needs of individuals with severe handicaps, to (C)"; and

(C) by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and to (D) demonstrate and disseminate innovative models for the delivery of cost-effective rehabilitation engineering services to assist in meeting the needs of, and addressing the barriers confronted by, individuals with handicaps. In fiscal year 1987, at least two such Rehabilitation Engineering Centers shall be established. One grant to provide demonstrations pursuant to clause (D) of this paragraph shall be made to an agency or organization in the State of South Carolina and one such grant shall be made to an agency or organization in the State of Connecticut.".

(3) Section 204(b)(3) of the Act is amended by inserting at the end thereof: "In the award of grants under this paragraph the Director shall take into account the location of any proposed Center and the appropriate geographic and regional allocation of such Centers.".

(4) Section 204(b)(7) of the Act is amended by inserting "the National Institute of Mental Health," after "Institutes of Health,".

(5) Section 204(b)(8) of the Act is amended by inserting before the period ", except that research concerning handicapped Indian Americans shall include those 55 and older".

(6) Section 204(b)(11) of the Act is amended by striking out all that follows "(B)" and inserting in lieu thereof "such physical therapy, language development, pediatric, nursing, psychological, and psychiatric services as are necessary for such children; and (C) appropriate services for the parents of such children, including psychological and psychiatric services, parent counseling, and training.".

(c) ADDITIONAL RESEARCH ACTIVITIES.—Section 204(b) of the Act is amended by adding at the end thereof the following new paragraphs:

"(14) Conduct of studies of the rehabilitation needs of American Indian populations and of effective mechanisms for the delivery of rehabilitation services to Indians residing on and off reservations.".

"(15) Conduct of a demonstration program under which one or more projects national in scope shall be established to develop procedures to provide incentives for the development, manufacturing, and marketing of orphan technological devices designed to enable individuals with handicaps to achieve independence and access to gainful employment.".

(d) SPECIAL RULE.—Section 204 of the Act is amended by adding at the end thereof the following new subsection:

"(d)(1) In carrying out evaluations of research demonstration and related projects under this section, the Director is authorized to make arrangements for site visits to obtain information on the accomplishments of the projects.

"(2) The Director shall not make a grant under this section which exceeds $299,999 unless the peer review of the grant application has included a site visit.".

TITLE IV—SUPPLEMENTARY SERVICES AND FACILITIES

SEC. 401. GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES.

Section 301(a) of the Act is amended—

(1) in the first sentence by striking out "fiscal year ending before October 1, 1986." and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991."; and

(2) in the second sentence by striking out "October 1, 1987." and inserting in lieu thereof "October 1, 1992.".

SEC. 402. VOCATIONAL TRAINING SERVICES FOR INDIVIDUALS WITH HANDICAPS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 302(a) of the Act is amended by striking out "fiscal year ending before October 1, 1986." and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991.".

(b) INCLUSION OF SUPPORTED EMPLOYMENT.—Section 302(b)(3)(A) of the Act is amended by inserting before the semicolon ", including supported employment".

SEC. 403. TRAINING.

(a) TRAINING OF QUALIFIED PERSONNEL.—Section 304(a) of the Act is amended—

(1) in the first sentence—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1)—"(2) personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of individuals with severe handicaps,"; and

(2) by inserting after the first sentence—"Recipients of grants or contracts under this section shall give due regard to the training of individuals with handicaps as part of the effort to increase the number of qualified personnel available to provide rehabilitation services.".

(b) TARGETING.—The first sentence of section 304(b) of the Act is amended—

(1) by inserting before "rehabilitation medicine" the following: "rehabilitation engineering,";

(2) by inserting "rehabilitation dentistry," after "rehabilitation psychology,";

(3) by inserting "physical education, therapeutic recreation," after "speech pathology and audiology,"; and

(4) by inserting "specialized personnel in providing employment training for supported employment, other specialized personnel for those individuals who meet the definition of severely handicapped," after "job placement services for handicapped individuals,".

(c) LENGTH OF GRANT.—Section 304(b) of the Act is amended—

(1) by designating the first sentence as paragraph (1); and

(2) by striking out the last sentence and inserting in lieu thereof the following:

"(2)(A) Except as provided in subparagraph (B), no grant under this section may be used to provide any one course of study to an individual for a period of more than 4 years.

"(B) If the grant recipient determines that an individual has a handicap which seriously affects the completion of training under this section, the grant recipient may modify the limitation under subparagraph (A).".

(d) SCHOLARSHIP REQUIREMENTS.—Section 304(b) of the Act is amended by inserting at the end thereof the following new paragraph:

"(3)(A) A recipient of a grant or contract under this section shall provide assurances that each individual who receives a scholarship from funds provided under such grant or contract shall enter into an agreement with the recipient under which the individual shall—

"(i) within the ten-year period after completing the training for which the scholarship was awarded, maintain employment in a nonprofit rehabilitation or related agency, or in a State rehabilitation agency, on a full-time basis for a period of not less than two years for each year for which assistance was received; and

"(ii) repay all or part of any scholarship received, plus interest, if the individual does not fulfill the requirements of clause (i),

except as the Commissioner by regulation may provide for repayment exceptions and deferrals.

"(B) The Commissioner shall be responsible for the enforcement of each agreement entered into under subparagraph (A) upon completion of training under such subparagraph.".

(e) TECHNICAL ASSISTANCE.—Section 304 is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e)(1) The Commissioner is authorized to provide technical assistance to State rehabilitation agencies and rehabilitation facilities, directly or through contracts with State vocational rehabilitation agencies or nonprofit organizations.

"(2) An expert or consultant appointed or serving under contract pursuant to this section shall be compensated at a rate subject to approval of the Commissioner which shall not exceed the daily rate payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code. Such an expert or consultant may be allowed travel and transportation expenses in accordance with section 5703 of title 5, United States Code.".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 304(e) of the Act is amended by striking out "$22,000,000 for the fiscal year 1984, $27,000,000 for the fiscal year 1985, and $31,000,000 for the fiscal year 1986" and inserting in lieu thereof "$31,000,000 for the fiscal year 1987, $33,000,000 for the fiscal year 1988, $35,000,000 for the fiscal year 1989, $37,000,000 for the fiscal year 1990, and $38,517,000 for fiscal year 1991.".

SEC. 404. COMPREHENSIVE REHABILITATION CENTERS.

Section 305(g) of the Act is amended to read as follows:

"(g) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.".

SEC. 405. SPECIAL PROJECTS AND SUPPLEMENTARY SERVICES; REAUTHORIZATION.

Section 310(a) of the Act is amended—

(1) by striking out "section 316" and inserting in lieu thereof "sections 311(d), 311(e), and 316"; and

(2) by striking out "$12,900,000 for the fiscal year 1984, $13,600,000 for the fiscal year 1985, and $14,300,000 for the fiscal year 1986" and inserting in lieu thereof the following: "$15,860,000 for fiscal year 1987, $16,790,000 for fiscal year 1988, $17,800,000 for fiscal year 1989, $18,900,000 for fiscal year 1990, and $19,675,000 for fiscal year 1991".

SEC. 406. SPECIAL DEMONSTRATION PROGRAMS.

(a) NEEDS OF ISOLATED POPULATIONS OF INDIVIDUALS WITH HANDICAPS.—Section 311(a) of the Act is amended—

(1) in paragraph (2) by striking out "and" after the semicolon;

(2) in paragraph (3) by striking out the period and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) operating programs to meet the special needs of isolated populations of individuals with handicaps, particularly among American Indians residing on or outside of reservations.".

(b) SPECIAL DEMONSTRATION PROGRAMS FOR SUPPORTED EMPLOYMENT AND TRANSITIONAL EMPLOYMENT SERVICES FOR SEVERELY HANDICAPPED YOUTH.—Section 311 of the Act is amended by inserting at the end thereof the following new subsections:

"(d)(1)(A) The Commissioner may make grants to public and nonprofit rehabilitation facilities, designated State units, and other public and private agencies and organizations for the cost of developing special projects and demonstrations providing supported employment.

"(B) Not less than one such grant shall be nationwide in scope. The grant shall (i) identify community-based models that can be replicated, (ii) identify impediments to the development of supported employment programs (including funding and cost considerations), and (iii) develop a mechanism to explore the use of existing community-based rehabilitation facilities as well as other community-based programs.

"(2)(A) The Commissioner may make grants to public agencies and nonprofit private organizations for the cost of providing technical assistance to States in implementing part C of title VI of this Act.

"(B) Not less than one such grant shall be nationwide in scope. Each eligible applicant must have experience in training and provision of supported employment services.

"(3)(A) On June 1, 1988, and on each subsequent June 1, the Commissioner shall submit a report to the Congress on activities assisted under paragraph (1) for the preceding fiscal year which includes—

"(i) a list of the grants awarded under this subsection;

"(ii) the number of individuals with severe handicaps served by each grant recipient, the average cost to provide support services to each such individual, and the average wage paid to each such individual; and

"(iii) the recommendations of the projects under paragraph (1)(B).

"(B) Each such report shall also include activities assisted under paragraph (2) for the preceding fiscal year, including (i) a list of the grants awarded under paragraph (2), (ii) the nature of technical assistance activities undertaken, and (iii) recommended areas where additional technical assistance is necessary.

"(4) There are authorized to be appropriated to carry out the provisions of this subsection $9,000,000 for the fiscal year 1987, $9,520,000 for the fiscal year 1988, $10,000,000 for the fiscal year 1989, $10,690,000 for the fiscal year 1990, and $11,128,000 for the fiscal year 1991.

"(e)(1) The Commissioner, subject to the provisions of section 306, shall make grants in accordance with the provisions of this subsection for the purpose of developing, expanding, and disseminating model statewide transitional planning services for severely handicapped youth. In order to facilitate similar model transitional programs, each grantee under this subsection shall—

"(A) collect data documenting the effectiveness of the project, including data on the outcome of the individuals served; and

"(B) disseminate the information to other States.

"(2) No grant may be made under this subsection unless an application is submitted to the Commissioner at such time, in such form, and in accordance with such procedures as the Commissioner may require.

"(3)(A) One grant under this subsection shall be made to a public agency in a predominantly urban State in New England for an existing model statewide transitional planning services program.

"(B) The application for the grant specified in subparagraph (A) shall—

"(i) provide assurances that a single office or agency of the State has responsibility for managing the referral process assigned under the model program for which assistance is sought;

"(ii) provide assurances that the schools involved, in consultation with families, initiate a referral at least two years prior to the anticipated date on which each such student will finish courses of study at the school;

"(iii) provide assurances that individualized transition plans will be developed by the schools and adult providers working cooperatively;

"(iv) provide assurances that case management responsibilities, together with appropriate tracking of each case designed to report on the progress of the handicapped individual, will be part of the responsibility of the office or agency designed under clause (i); and

"(v) contain such other assurances as the Commissioner may reasonably require.

"(4)(A)(i) A second grant authorized by this subsection shall be made to a public agency in a predominantly rural western State.

"(ii) A third grant authorized by this subsection shall be made to a public agency or nonprofit private organization in a predominantly rural southwestern State.

"(B) Each application for a grant submitted pursuant to subparagraph (A) of this paragraph shall describe model transitional plan-

ning services for both severely and mildly handicapped youth designed to develop procedures, strategies, and techniques which may be replicated successfully in other rural States.

"(5) There are authorized to be appropriated $450,000 for fiscal year 1987, $475,830 for fiscal year 1988, $504,427 for fiscal year 1989, $535,550 for fiscal year 1990, and $557,000 for fiscal year 1991 to carry out the provisions of this subsection.".

SEC. 407. SPECIAL RECREATIONAL PROGRAMS.

Section 316 of the Act is amended to read as follows:

"SEC. 316. (a)(1) The Commissioner, subject to the provisions of section 306, shall make grants to States, public agencies, and nonprofit private organizations for paying part or all of the cost of initiation of recreation programs to provide handicapped individuals with recreational activities and related experiences to aid in the mobility, socialization, independence, and community integration of such individuals. The programs authorized to be assisted under this section may include, but are not limited to, leisure education, leisure networking, leisure resource development, physical education and sports, scouting and camping, 4-H activities, music, dancing, handicrafts, art, and homemaking. Whenever possible and appropriate, such programs and activities should be provided in settings with nonhandicapped peers. Programs and activities under this section shall be designed to demonstrate ways in which such programs assist in maximizing the independence and integration of individuals with handicaps.

"(2) Each such grant shall be made for a minimum of a three-year period.

"(3) No grant may be made under this section unless the agreement with respect to such grant contains provisions to assure that, to the extent possible, existing resources will be used to carry out the activities for which the grant is to be made, and that with respect to children the activities for which the grant is to be made will be conducted before or after school.

"(b) There are authorized to be appropriated $2,330,000 for fiscal year 1987, $2,470,000 for fiscal year 1988, $2,620,000 for fiscal year 1989, $2,780,000 for fiscal year 1990, and $2,894,000 for fiscal year 1991 to carry out this section.".

TITLE V—NATIONAL COUNCIL ON THE HANDICAPPED

SEC. 501. PURPOSE OF THE COUNCIL.

Section 400(a) of the Act is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The purpose of the National Council is to promote the full integration, independence, and productivity of handicapped individuals in the community, schools, the workplace and all other aspects of American life.".

SEC. 502. DUTIES OF NATIONAL COUNCIL.

(a) DUTIES.—

(1) Section 401(a)(4) of the Act is amended to read as follows:

"(4) review and evaluate on a continuing basis—

"(A) all policies, programs, and activities concerning handicapped individuals and persons with disabilities conducted or assisted by Federal departments and agencies, including programs established or assisted under this Act or under the Developmental Disabilities Assistance and Bill of Rights Act; and

"(B) all statutes pertaining to Federal programs which assisted such handicapped individuals and persons with disabilities;

in order to assess the effectiveness of such policies, programs, activities, and statutes in meeting the needs of handicapped individuals and persons with disabilities;".

(2) Section 401(a) of the Act is amended—

(A) by redesignating clauses (5), (6), and (7), as clauses (6), (7), and (8), respectively, and

(B) by inserting after clause (4) the following:

"(5) assess the extent to which such policies, programs, and activities provide incentives or disincentives to the establishment of community-based services for handicapped individuals, promote the full integration of such individuals in the community, in schools, and in the workplace, and contribute to the independence and dignity of such individuals;".

(3) Section 401(a)(8) of the Act (as redesignated by paragraph (2)) is amended by inserting "legislative proposals" after "recommendations".

(b) ADDITIONAL DUTIES.—Section 401(b) of the Act is amended to read as follows:

"(b)(1) Not later than January 30, 1988, and annually thereafter, the National Council shall issue a report to the President and the Congress on the progress that has been made in implementing the recommendation contained in the Council's January 30, 1986, report Toward Independence.

"(2) The reports issued pursuant to paragraph (1) shall present, as appropriate, available data on health, housing, employment, insurance, transportation, recreation, and education, and shall include appropriate information on the current status and trends in the status of individuals with disabilities.".

SEC. 503. STAFF.

Section 403(b) of the Act is amended by striking out paragraph (4).

SEC. 504. REAUTHORIZATION.

Section 405 of the Act is amended by inserting before the period at the end thereof the following: "for each of the fiscal years 1987, 1988, 1989, 1990, and 1991".

TITLE VI—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 601. ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.

(a) MEMBERSHIP AND QUORUM REQUIREMENTS.—Section 502(a) of the Act is amended—

(1) in paragraph (1)(B) by striking out "The President" and all that follows through the end of such paragraph and inserting in lieu thereof "The Chairperson and vice-chairperson of the Board shall be elected by majority vote of the members of the Board to serve for terms of one year. When the chairperson is a member of the general public, the vice-chairperson shall be a Federal official; and when the chairperson is a Federal official, the vice-chairperson shall be a member of the general public. Upon the expiration of the term as chairperson of a member who is a Federal official, the subsequent chairperson shall be a member of the general public; and vice versa.";

(2) in paragraph (1)(A)—

(A) by striking out "Eleven" and inserting in lieu thereof "Twelve"; and

(B) by striking out "five" and inserting in lieu thereof "six";

(3) in paragraph (2) by striking out "and (ii)" and all that follows through the end of such paragraph and inserting in lieu thereof "(ii) a member whose term has expired may continue to serve until a successor has been appointed, and (iii) a member appointed to fill a vacancy shall serve for the remainder of the term to which that member's predecessor was appointed."; and

(4) by inserting after paragraph (5) the following paragraph:

"(6)(A) The Board shall establish such bylaws and other rules as may be appropriate to enable the Board to carry out its functions under this Act.

"(B) The bylaws shall include quorum requirements. The quorum requirements shall provide that (i) a proxy may not be counted for purposes of establishing a quorum, and (ii) not less than half the members required for a quorum shall be members of the general public appointed under paragraph (1)(A).".

(b) SPECIAL REPORTS.—Section 502(g) of the Act is amended by adding at the end thereof the following: "The Board shall prepare and submit two additional reports of its activities under subsection (c) of this section, one report on its activities in the field of transportation barriers of handicapped individuals and the other report on its activities in the field of the housing needs of handicapped individuals. The two additional reports required by the previous sentence shall be submitted not later than February 1, 1988.".

(c) AUTHORIZATIONS.—Section 502(i) of the Act is amended by striking out "fiscal year ending before October 1, 1986," and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991,".

SEC. 602. INTERAGENCY COORDINATING COUNCIL.

The first sentence of section 507 of the Act is amended by inserting "the Assistant Secretary of the Interior for Indian Affairs," after "Labor,".

SEC. 603. ELECTRONIC EQUIPMENT ACCESSIBILITY.

(a) ELECTRONIC EQUIPMENT ACCESSIBILITY.—Title V of the Act is amended by inserting after section 507 the following new section:

"ELECTRONIC EQUIPMENT ACCESSIBILITY

"SEC. 508. (a)(1) The Secretary, through the National Institute on Disability and Rehabilitation Research and the Administrator of the General Services, in consultation with the electronics industry, shall develop and establish guidelines for electronic equipment accessibility designed to insure that handicapped individuals may use electronic office equipment with or without special peripherals.

"(2) The guidelines established pursuant to paragraph (1) shall be applicable with respect to electronic equipment, whether purchased or leased.

"(3) The initial guidelines shall be established not later than October 1, 1987, and shall be periodically revised as technologies advance or change.

"(b) Beginning after September 30, 1988, the Administrator of General Services shall adopt guidelines for electronic equipment accessibility established under subsection (a) for Federal procurement of electronic equipment. Each agency shall comply with the guidelines adopted under this subsection.

"(c) For the purpose of this section, the term 'special peripherals' means a special needs aid that provides access to electronic equipment that is otherwise inaccessible to a handicapped individual.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after item "Sec. 507." the following new item:

"Sec. 508. Electronic equipment accessibility.".

TITLE VII—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH HANDICAPS

SEC. 701. EQUITABLE DISTRIBUTION OF ASSISTANCE.

(a) EQUITABLE DISTRIBUTION.—Section 615(a)(1) of the Act is amended in the second sentence by inserting before the period "and the needs of Indian tribes".

(b) APPORTIONMENT.—Section 615(c)(2) of the Act is amended by inserting before the period "(including individuals residing on Indian reservations)".

SEC. 702. REAUTHORIZATION OF PART A OF TITLE VI.

Section 617 of the Act is amended by striking out "1984, 1985, and 1986." and inserting in lieu thereof "1987, 1988, 1989, 1990, and 1991."

SEC. 703. PROJECTS WITH INDUSTRY.

(a) GENERAL PROVISIONS.—

(1) Section 621(a) of the Act is amended—

(A) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(B) by inserting after the subsection designation the following: "(1) The purpose of this title is to promote opportunities for competitive employment of individuals with handicaps, to provide appropriate placement resources, to engage the talent and leadership of private industry as partners in the rehabilitation process, to create practical settings for job readiness and training programs, and to secure the participation of private industry in identifying and providing job opportunities and the necessary skills and training to qualify people with handicaps for competitive employment.".

(2) Clauses (A), (B), and (C) of section 621(a)(2) of the Act (as redesignated by this subsection) are amended to read as follows:

"(A) shall create and expand job opportunities for individuals with handicaps by providing for the establishment of appropriate job placement services;

"(B) shall provide individuals with handicaps with training in a realistic work setting in order to prepare them for employment in the competitive market;

"(C) shall provide individuals with handicaps with such supportive services as may be required to permit them to continue to engage in the employment for which they have received training under this section;

"(D) shall, to the extent appropriate, expand job opportunities for individuals with handicaps by providing for (i) the development and modification of jobs to accommodate the special needs of such individuals, (ii) the distribution of special aids, appliances, or adapted equipment to such individuals, and (iii) the modification of any facilities or equipment of the employer which are to be used primarily by handicapped individuals; and

"(E) shall provide for business advisory councils comprised of representatives of private industry, business concerns, and organized labor who will identify job availability within the community and the skills necessary to fill jobs identified, and prescribe training and programs tailored to their need.".

(3) Paragraph (4) of section 621(a) of the Act (as redesignated by this section) is amended by striking out "each year of a funding cycle" and inserting in lieu thereof "each project year".

(4) The amendment made by paragraph (2), adding clause (E) to section 621(a)(2) of the Act, shall take effect one year after the date of enactment of this Act.

(b) AGREEMENT.—Section 621(b) of the Act is amended—

(A) by striking out "and" at the end of paragraph (2);

(B) By striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (3) the following paragraph:

"(4) provides assurance that an evaluation report containing data specified under subsection (a)(4) shall be submitted as determined by the Commissioner."; and

(c) Section 621(e) of the Act is amended to read as follows:

"(e)(1) Subject to the availability of appropriations, an agreement for financial assistance under this section may be effective for a period not to exceed five years. Any subsequent agreement for financial assistance under this section may be effective for not more than five years. In making a determination concerning any subsequent agreement, the Commissioner shall consider performance under the previous agreement and evaluation reports submitted under subsection (b)(4).

"(2) The Commissioner shall annually review each evaluation report submitted under subsection (b)(4) and make a determination concerning the termination, modification, or renewal of each agreement for financial assistance under this section.".

(b) Section 621(b) of the Act is amended—

(1) by striking out "and" at the end of clause (2);

(2) by striking out the period at the end of clause (3) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after clause (3) the following new clause:

"(4) provides assurances that an evaluation report containing data specified under subsection (a)(4) shall be submitted to the Commissioner.".

(c) Section 621(d)(1) of the Act is amended by adding at the end thereof the following new sentence: "Such standards shall be revised as necessary, subject to paragraph (4) of this subsection.".

(d) TECHNICAL ASSISTANCE; INDICATORS FOR STANDARDS; CONTINUED FUNDING; APPLICATION APPROVAL.—(1) Subsection (f) of section 621 of the Act are amended to read as follows:

"(f)(1) By July 1, 1988, the Commissioner shall publish in the Federal Register in final form indicators of what constitutes minimum compliance consistent with the evaluation standards under subsection (d)(1).

"(2) Each grantee shall report to the Commissioner at the end of each project year the extent to which the grantee is in compliance with the evaluation standards, beginning with fiscal year 1989.

"(3) By the end of fiscal year 1991, the Commissioner shall have conducted on-site compliance reviews of at least one-third of the grantees receiving funding under this part in fiscal year 1987. The Commissioner shall conduct on-site compliance reviews of at least 15 percent of grantees annually in subsequent years. Selection of grantees for compliance reviews shall be on a random basis. The Commissioner shall use the indicators of the evaluation standards in determining compliance. At least one member of an on-site compliance review shall be a non-Federal employee with experience or expertise in conducting Projects With Industry.

"(4) Beginning with the annual report to Congress for fiscal year 1990 and in subsequent years, the Commissioner shall include an analysis of the extent to which grantees have complied with the evaluation standards. The Commissioner may identify individual grantees in the analysis. In addition, the Commissioner shall report the results of on-site compliance reviews, identifying individual grantees.

"(g) The Commissioner may provide, directly or by way of grant or contract, technical assistance to (1) entities conducting Projects With Industry for the purpose of assisting such entities in the improvement of or in the development of relationships with private industry

or labor, and (2) entities planning the development of new Projects With Industry.".

(2) Section 621 is further amended by adding at the end thereof the following new subsections:

"(h)(1)(A) From sums appropriated for the purposes of this section for fiscal year 1990, an amount which is 80 percent of the amount appropriated for fiscal year 1989 shall be available only for grantees receiving assistance in fiscal year 1989.

"(B) The Secretary shall ensure that grants are made under subparagraph (A) only to Projects With Industry recipients that meet the evaluation standards and shall make a determination concerning the termination, modification, or renewal of each grant on the basis of such evaluation.

"(2) To the extent funds are available under paragraph (1), the Secretary shall award grants to new Projects With Industry recipients located in unserved geographic areas. Grants to new recipients shall be awarded on a competitive basis.

"(3) For fiscal year 1991 and for any subsequent fiscal year, new grant awards shall be made on a competitive basis and shall include consideration of past performance, where appropriate.

"(4)(A) Each grant recipient receiving assistance under this section in fiscal year 1986 shall continue to receive assistance through September 30, 1987, unless the Commissioner determines that the grant recipient is not in compliance with the provisions of the approved application of the grant recipient.

"(B) Grant receipients continuing to receive assistance on the basis of the review described in subparagraph (A) of this paragraph shall be evaluated by the Commissioner using standards described in subsection (d) and (f) of this section. Each such grant receipient shall continue to receive assistance for 3 years unless the Commissioner determines that the grantee is not substantially in compliance with such standards and with the provisions of the approved application of the grant recipient.

"(i) In approving applications under this section, the Commissioner shall give priority to the geographic areas among the States which are currently not served or underserved by Projects With Industry.".

SEC. 704. PROJECTS WITH INDUSTRY REAUTHORIZATION.

Section 623 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 623. There are authorized to be appropriated to carry out the provisions of section 621, $16,070,000 for fiscal year 1987, $17,010,000 for fiscal year 1988, $18,030,000 for fiscal year 1989, $19,149,000 for fiscal year 1990, and $19,925,000 for fiscal year 1991 and for section 622 such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.".

SEC. 704. SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH SEVERE HANDICAPS.

(a) GENERAL AUTHORIZATION.—

(1) Title VI of the Act is amended by inserting after part B of such title the following new part:

"PART C—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH SEVERE HANDICAPS

"PURPOSE

"SEC. 631. It is the purpose of this part to authorize grants (supplementary to grants for vocational rehabilitation services under title I) to assist States in developing collaborative programs with appropriate public agencies and private nonprofit organizations for training and traditionally time-limited post-employment services leading to supported employment for individuals with severe handicaps.

"ELIGIBILITY

"SEC. 632. Services may be provided under this part to any individual with severe handicaps whose ability or potential to engage in a training program and whose ability to engage in a supported employment setting has been determined by an evaluation of rehabilitation potential as defined in section 7 of this Act.

"ALLOTMENTS

"SEC. 633. (a)(1) The Secretary shall allot the sums appropriated for each fiscal year under this section among the States on the basis of relative population of each State, except that no State shall receive less than $250,000 or one-third of 1 percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater.

"(2)(A) For the purposes of this subsection, the term 'States' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(B) The jurisdictions described in subparagraph (A) shall be allotted not less than one-eighth of 1 percent of the amounts made available for purposes of this subpart for each such clause for the fiscal year for which the allotment is made.

"(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State to carry out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to one or more of the States which the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the State's allotment for such year.

"(c)(1) In the first fiscal year in which appropriations are made pursuant to section 638 a State may, in lieu of receiving its allotment under this part, make an application for a planning grant for that fiscal year. The Secretary is authorized to approve the appropriation of States which meet the requirements of this subsection.

"(2)(A) The grant made under this subsection shall be used for planning activities designed to facilitate the State using its allotment under this part.

"(B) No grant under this subsection may exceed a period of 18 months.

"(3) No planning grant made under this subsection may exceed $250,000.

"STATE PLAN

"SEC. 634. (a) In order to be eligible for grants under this part, a State shall submit to the Commissioner as part of the State plan under title I of this Act a State plan supplement for a three-year period for providing training and traditionally time-limited post-employment services leading to supported employment for individuals with severe handicaps. Each State shall make such annual revisions in the plan supplement as may be necessary.

"(b) Each such plan supplement shall—

"(1) designate each agency of such State designated under section 101(a)(2)(B) of this Act as the agency to administer the program assisted under this part;

"(2)(A) specify results of the needs assessment conducted as required by title I of this Act of individuals with severe handicaps as such assessment identifies the need for supported employment services, including the coordination and use of the information within the State relating to section 618(b)(3) of the Education of the Handicapped Act; and

"(B) describe the quality, scope, and extent of supported employment services to be provided to individuals with severe handicaps under this part, and specify the State's goals and plans with respect to the distribution of funds received under section 635 of this part;

"(3) provide assurances that—

"(A) an evaluation for each individual describes training and traditionally time-limited post-employment services leading to supported employment;

"(B) an individualized written rehabilitation program as required by section 102 will be developed outlining the services to be provided;

"(C) such services will be provided in accordance with such program or a program specified under subsection (b)(3)(D) of this part;

"(D) such services will be coordinated with the evaluation results, the individual written rehabilitation plan or education plan as required under section 102 of this Act, section 123 of the Developmental Disabilities Act of 1984, and sections 612(4) and 614(5) of the Education of the Handicapped Act, respectively;

"(E) the State will conduct periodic reviews of the progress of individuals assisted under this part to determine whether services provided to such individuals should be continued, modified, or discontinued; and

"(F) the State will make maximum use of services from public agencies, private nonprofit organizations, and other appropriate resources in the community to carry out this part;

"(4) demonstrate evidence of collaboration by and funding from relevant State agencies and private nonprofit organizations to assist in the provision of supported employment services;

"(5) provide assurances that all designated State agencies will expend not more than 5 percent of the State's allotment under this part for administrative costs for carrying out this part; and

"(6) contain such other information and be submitted in such form and in accordance with such procedures as the Commissioner may require.

"SERVICES; AVAILABILITY AND COMPARABILITY

"SEC. 635. (a)(1) Services available under this part may include but are not limited to an evaluation of rehabilitation potential, provision of skilled job trainers who accompany the worker for intensive on-the-job training, systematic training, job development, follow-up services (including regular contact with the employer, trainee, and the parent or guardian), and consistent with subsection (b) regular observation or supervision of the individual with severe handicaps at the training site and other services needed to support the individual in employment.

"(2) The evaluation of rehabilitation potential authorized by paragraph (1) of this subsection shall be supplementary to the evaluation of rehabilitation potential provided under title I of this Act.

"(b) Services authorized under this part are limited to training and traditionally time-limited post-employment services leading to supported employment. Extended supported employment services shall be provided by the relevant State agencies and private organizations as specified under section 634(b)(4) of this part or any other available source.

"(c) Services provided under this part shall be complementary to services provided under title I of this Act.

"RESTRICTION

"SEC. 636. Each designated State agency shall collect the client information required by section 13 of this Act separately for supported employment clients under this part and for supported employment clients under title I.

"SAVINGS PROVISION

"SEC. 637. Nothing in this Act shall be construed to prohibit a State from conducting or from carrying out training and traditionally time-limited post-employment services leading to supported employment in accordance with the State plan submitted under section 101 from its State allotment under section 110.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 638. There are authorized to be appropriated to carry out this part $25,000,000 for the fiscal year 1987, $26,470,000 for the fiscal year 1988, $28,060,000 for the fiscal year 1989, $29,730,000 for the fiscal year 1990, $30,949,000 for the fiscal year 1991.".

(2) The table of contents of the Act is amended by inserting after item "Sec. 623." the following:

"PART C—SUPPORTED EMPLOYMENT SERVICES FOR SEVERELY HANDICAPPED INDIVIDUALS WITH SEVERE HANDICAPS

"Sec. 631. Purpose.
"Sec. 632. Eligibility.
"Sec. 633. Allotments.
"Sec. 634. State plan.
"Sec. 635. Services; availability and comparability.
"Sec. 636. Restriction.
"Sec. 637. Savings provision.
"Sec. 638. Authorization of appropriations.".

(b) LIMITATION.—

(1) The amendment adding section 634(a) (made by subsection (a) of this section) shall not apply in any fiscal year in which the appropriation for part C of title VI of the Rehabilitation Act of 1973 do not equal or exceed $5,000,000.

(2) The provisions of paragraph (1) are repealed on September 30, 1990.

TITLE VIII—SERVICES FOR INDEPENDENT LIVING

SEC. 801. ELIGIBILITY FOR COMPREHENSIVE SERVICES.

Section 702(b) of the Act is amended by striking out "recreational activities" and inserting in lieu thereof "recreational services".

SEC. 802. STATE PLAN ASSURANCE.

Section 705(a) of the Act is amended—

(1) by redesignating clauses (5), (6), (7), (8), and (9) as clauses (6), (7), (8), (9), and (10), respectively; and

(2) by inserting after clause (4) the following:

"(5) provide assurances that the State will consider recommendations of the State independent living council in determining how independent living services will be expanded or modified;".

SEC. 803. STATE INDEPENDENT LIVING COUNCIL.

(a) GENERAL AUTHORITY.—Part A of title VII of the Act is amended by adding at the end thereof the following new section:

"STATE INDEPENDENT LIVING COUNCIL

"SEC. 706. (a) There shall be established in each State receiving assistance under this title a State Independent Living Council (hereafter in this section referred to as the 'Council'). The Council shall—

"(1) provide guidance for the development and expansion of independent living programs and concepts on a statewide basis;

"(2) provide guidance to State agencies and to local planning and administrative entities assisted under this title; and

"(3) prepare and submit to the State agency designated under section 705(a)(1) a five-year plan addressing the long-term goals and recommendations for the need for independent living services and programs within the State.

"(b)(1) The Council shall be composed of representatives of the principal State agencies, local agencies, and nongovernmental agencies and groups concerned with services to handicapped individuals under this title; handicapped individuals and parents or guardians of handicapped individuals; directors of independent living centers;

representatives from private business employing or interested in employing handicapped individuals; representatives of other appropriate organizations and other appropriate individuals.

"(2) A majority of the membership of the Council shall be handicapped individuals and parents or guardians of handicapped individuals.

"(3) The members of the Council shall be appointed by the director of the State agency designated under section 705(a)(1).

"(c) The chairperson of the Council shall be selected from among the membership and shall also serve as a member of any State advisory committee primarily concerned with the provision of rehabilitation services and any other appropriate State advisory committee concerned with services to handicapped individuals.

"(d) Any State in which there is a council which substantially meets the requirements of paragraphs (1) and (2) of subsection (b) and has the authority or will, promptly after the date of enactment of the Rehabilitation Act Amendments of 1986, have the authority to carry out the functions prescribed in subsection (a) shall be deemed to meet the requirements of this section.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after item "Sec. 705." the following new item:

"Sec. 706. State independent living council.".

SEC. 804. GRANTS FOR CENTERS FOR INDEPENDENT LIVING.

(a) APPLICATION CONDITIONS.—

(1) Section 711(b) of the Act is amended—

(A) by striking out "and" at the end of clause (1);

(B) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and the word "and"; and

(C) by adding at the end thereof the following new clause:

"(3) contains assurances that each center will have a board which is composed of a majority of handicapped individuals.".

(2) The amendments made by paragraph (1) shall take effect one year after the date of enactment of this Act.

(b) APPLICATION CONTENTS.—Section 711(c)(2) of the Act is amended—

(1) by inserting after "housing" in clause (E) a comma and the following: "recreation";

(2) by inserting after "housing" in clause (F) a comma and the following: "recreational opportunities"; and

(3) by striking out "activities" in clause (K) and inserting in lieu thereof "services".

(c) TIMELINESS OF APPLICATION.—Section 711(d) of the Act is amended by striking out "six months" and inserting in lieu thereof "three months".

SEC. 805. EVALUATION AND REVIEW OF INDEPENDENT LIVING CENTERS.

(a) REVISION OF STANDARDS.—Section 711(e)(1) of the Act is amended by adding at the end thereof the following new sentence: "Such standards shall be revised as necessary, subject to paragraph (4) of this subsection.".

(b) INDICATORS FOR STANDARDS; CONTINUED FUNDING; APPROVAL OF APPLICATIONS.—Section 711 of the Act is amended by striking subsection (f) and by adding at the end thereof the following:

"(f)(1) By July 1, 1988, the Commissioner shall publish in the Federal Register in final form indicators of what constitutes minimum compliance consistent with the evaluation standards in subsection (e)(1).

"(2) Each grantee shall report to the Commissioner at the end of each project year the extent to which the grantee is in compliance with the evaluation standards, beginning with fiscal year 1989.

"(3) By the end of fiscal year 1991, the Commissioner shall have conducted on-site compliance reviews of at least one-third of the grantees receiving funding under this part in fiscal year 1987. The Commissioner shall conduct on-site compliance review of at least 15 percent of grantees annually in subsequent years. Selection of grantees for compliance reviews shall be on a random basis. The Commissioner shall use the indicators of the evaluation standards in determining compliance. At least one member of an on-site compliance review shall be a non-Federal employee with experience or expertise in the provision of independent living services.

"(4) Beginning with the annual report to Congress for fiscal year 1990 and in subsequent years, the Commissioner shall include an analysis of the extent to which grantees have complied with the evaluation standards. The Commissioner may identify individual grantees in the analysis. In addition, the Commissioner shall report the results of on-site compliance reviews, identifying individual grantees.

"(g)(1)(A) From sums appropriated for the purposes of this section for fiscal year 1990, an amount which is 90 percent of the amount appropriated for fiscal year 1989 shall be available only for grantees receiving assistance in fiscal year 1989.

"(B) The Secretary shall ensure that grants are made under subparagraph (A) only to Centers that meet the evaluation standards and shall make a determination concerning the termination, modification, or renewal of each grant on the basis of such evaluation.

"(C) A grant under subparagraph (A) may not be less than 80 percent or more than 100 percent of the grant to the Center for fiscal year 1989. The Commissioner shall determine the amount of each grant on the basis of—

"(i) the capacity of the recipient to obtain local resources to pay the non-Federal share of the cost of the Center; and

"(ii) the economic conditions in the community to be served by the Center.

"(2) To the extent funds are available under paragraph (1), the Secretary shall award grants to new Centers located in unserved geographic areas. Grants to new Centers shall be awarded on a competitive basis.

"(3) For fiscal year 1991 and for any subsequent fiscal year, new grant awards shall be made on a competitive basis and shall include consideration of past performance, where appropriate.

"(4)(A) Each grant recipient receiving assistance under this section in fiscal year 1986 shall continue to receive assistance through September 30, 1987, unless the Commissioner determines that the grant recipient is not in compliance with the provisions of the approved application of the grant recipient.

"(B) Grant receipients continuing to receive assistance on the basis of the review described in subparagraph (A) of this paragraph shall

be evaluated by the Commissioner using standards described in subsections (e) and (f) of this section. Each such grant receipient shall continue to receive assistance for 3 years unless the Commissioner determines that the grantee is not substantially in compliance with such standards and with the provisions of the approved application of the grant recipient.

"(h) In approving applications under this section, the Commissioner shall give priority to geographic areas among the States which are currently not served or underserved by independent living centers.".

SEC. 806. REAUTHORIZATION FOR TITLE VII.

Section 741 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 741. (a) There are authorized to be appropriated to carry out part A of this title $11,830,000 for fiscal year 1987, $12,310,000 for fiscal year 1988, $13,050,000 for fiscal year 1989, $13,860,000 for fiscal year 1990, and $14,428,000 for fiscal year 1991.

"(b) There are authorized to be appropriated to carry out part B of this title $24,320,000 for fiscal year 1987, $25,750,000 for fiscal year 1988, $27,300,000 for fiscal year 1989, $28,980,000 for fiscal year 1990, and $30,168,000 for fiscal year 1991.

"(c) There are authorized to be appropriated to carry out part C of this title $5,290,000 for fiscal year 1987, $5,600,000 for fiscal year 1988, $5,930,000 for fiscal year 1989, $6,300,000 for fiscal year 1990, and $6,558,000 for fiscal year 1991.

"(d)(1) There are authorized to be appropriated to carry out part D of this title such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990.

"(2) The provisions of section 1913 of title 18, United States Code, shall be applicable to all moneys authorized under the provisions of this subsection.".

TITLE IX—AMENDMENTS TO OTHER LAWS

SEC. 901. REAUTHORIZATION OF HELEN KELLER NATIONAL CENTER ACT.

Section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904) is amended by striking out the first sentence and inserting in lieu thereof "There are authorized to be appropriated to carry out the provisions of this title such sums as may be necessary for each of the fiscal years 1987 through 1990.".

SEC. 902. PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED.

The joint resolution entitled "Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week", approved July 11, 1949, (63 Stat. 409) is amended—

(1) by striking out "annually, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $1,000,000" and inserting in lieu thereof "for each of the fiscal years 1987, 1988, 1989, 1990, and 1991, such sums as may be necessary"; and

(2) by inserting at the end thereof "The President's Committee on Employment of the Handicapped shall be guided by the general policies of the National Council on the Handicapped.".

TITLE X—TECHNICAL AND CONFORMING AMENDMENTS TO THE ACT

SEC. 1001. USE OF GENDER NEUTRAL TERMINOLOGY IN ACT.

(a) AMENDMENTS TO THE GENERAL PROVISIONS.—

(1) Section 3(a) of the Act is amended—

(A) in the third sentence by striking out "his functions," and inserting in lieu thereof "the functions of the office,"; and

(B) in the sixth sentence by striking out "his functions" and inserting in lieu thereof "the functions of the office".

(2) Section 6(b) of the Act is amended—

(A) by striking out "he" after "satisfied," and inserting in lieu thereof "the Secretary"; and

(B) by striking out "he" after "or".

(3) Section 7(4) of the Act is amended by striking out "he" and inserting in lieu thereof "the Secretary".

(4) Section 12 of the Act is amended—

(A) in subsection (b) by striking out "his" and inserting in lieu thereof "the"; and

(B) in subsection (c) by striking out "he considers" and inserting in lieu thereof "are considered".

(5) Section 14(e) of the Act is amended—

(A) by striking "Secretary" and inserting "Commissioner"; and

(B) by striking out "to him, upon request" and inserting in lieu thereof "upon request of the Commissioner".

(b) AMENDMENTS TO TITLE I.—Title I of the Act is amended as follows:

(1) Section 101(a)(10) of the Act is amended—

(A) by striking out "his functions" and inserting in lieu thereof "the functions of the Commissioner"; and

(B) by striking out "he may find" and inserting in lieu thereof "are".

(2) Section 101(b) of the Act is amended—

(A) in the first sentence by striking out "he" and inserting in lieu thereof "the Commissioner" and by striking out "he"; and

(B) in the second sentence by striking out "his" and inserting in lieu thereof "the" and by striking out "he".

(3) Section 101(c)(1) of the Act is amended—

(A) in the first sentence by striking out "his discretion" and inserting in lieu thereof "the discretion of the Commissioner" and by striking out "he" and inserting in lieu thereof "the Commissioner"; and

(B) in the second sentence by striking out "he" and inserting in lieu thereof "the Commissioner".

(4) Section 101(d)(1) of the Act is amended by striking out "him" and inserting in lieu thereof "the Commissioner" and by striking out "he" and inserting in lieu thereof "the Commissioner".

(5) Section 102 of the Act is amended—

(A) by striking out "his parents" each place it appears in such section and inserting in lieu thereof "such individual's parents";

(B) by striking out "his parent" and inserting in lieu thereof "such individual's parent";

(C) in subsection (d)(1) by striking out "his" and inserting in lieu thereof "the"; and

(D) in subsection (d)(2) by striking out "his responsibilities" and inserting in lieu thereof "any responsibility of the Secretary".

(6) Section 111(b) of the Act is amended—

(A) in paragraph (1) by striking out "him," and inserting in lieu thereof "the Commissioner,"; and

(B) in the first sentence of paragraph (2)—

(i) by striking out "him" and inserting in lieu thereof "the Commissioner"; and

(ii) by striking out "he finds that his" and inserting in lieu thereof "the Commissioner finds that the".

(7) Section 112(e)(2) of the Act is amended by striking out "from time to time on such dates he may fix" and inserting in lieu thereof "at appropriate times".

(8) Section 120(b) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "the Commissioner".

(c) AMENDMENTS TO TITLE II.—Section 202 of the Act is amended—

(1) in the second sentence of subsection (a) by striking out "his functions," and inserting in lieu thereof "the functions of the office,";

(2) in subsection (e) by striking out "he" and inserting in lieu thereof "the Director";

(3) in subsection (g) by striking out "he considers" and

(4) in subsection (i)—

(A) by striking out "whatever actions he considers appropriate" and inserting in lieu thereof "appropriate actions"; and

(B) by striking out "in his role of Chairman" and inserting "as Chairperson".

(d) AMENDMENTS TO TITLE III.—Title III of the Act is amended as follows:

(1) Section 302(b)(3) of the Act is amended—

(A) by striking out "on his determination" and inserting in lieu thereof "if the Commissioner determines";

(B) in subparagraph (C) by striking out "his" and inserting in lieu thereof "that individual's"; and

(C) in subparagraph (D) by striking out "he" and inserting in lieu thereof "the Commissioner".

(2) Section 303 of the Act is amended—

(A) in subsection (e)(1) by striking out "he" and inserting in lieu thereof "the Commissioner";

(B) in subsection (e)(2)(B) by striking out "he considers" and inserting in lieu thereof "considered";

(C) in subsection (e)(2)(C) by striking out "his" both places it appears and inserting in lieu thereof "a";

(D) by amending subsection (f)(1)(A) to read as follows:

"(A) to enable the Commissioner to discharge the responsibilities under loan guarantees issued under this section; and";

(E) in the third sentence of subsection (f)(1) by striking out "him from his" and inserting in lieu thereof "the Commissioner from";

(F) in subsection (f)(2)(A) by striking out "he", and inserting in lieu thereof "the Commissioner"; and

(G) in subsection (f)(2)(C) by striking out "he" and by striking out "him" and inserting in lieu thereof "the Secretary".

(e) AMENDMENTS TO TITLE IV.—

(1) Section 400(b)(3) of the Act is amended by striking out "his" and inserting in lieu thereof "such member's".

(2) Section 400(c) of the Act is amended by striking out "Chairman" both places it appears and inserting in lieu thereof "Chairperson".

(f) AMENDMENTS TO TITLE V.—Title V of the Act is amended as follows:

(1) Section 501(e) of the Act is amended by striking out "his" and inserting in lieu thereof "a".

(2) Section 503(b) of the Act is amended by striking out "his" and inserting in lieu thereof "a".

(3) Section 503(c) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "The President", and by striking out "his" and inserting in lieu thereof "the".

(4) Section 507 of the Act is amended by striking out "Chairman" and inserting in lieu thereof "Chairperson".

(g) AMENDMENTS TO TITLE VII.—Title VII of the Act is amended as follows:

(1) Section 702 of the Act is amended by striking out "his" each place it appears and by inserting in lieu thereof "the".

(2) Section 703(c) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "the Commissioner".

(3) Section 705(b) of the Act is amended by striking out "he" and inserting in lieu thereof "the Commissioner".

(4) Section 721(a) of the Act is amended—

(A) by striking out "his" both places it appears; and

(B) in paragraph (3) by striking out "able to care for himself;" and inserting in lieu thereof "self-sufficient;".

SEC. 1002. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS TO THE GENERAL PROVISIONS.—

(1) Section 7(3) of the Act is amended by striking out "designated State units" and inserting in lieu thereof "designated State unit".

(2) Section 7(11) of the Act is amended—

(A) by striking out subparagraph (B) and inserting in lieu thereof "(B) testing, fitting, or training in the use of prosthetic and orthotic devices,"; and

(B) in subparagraph (F) by inserting "psychiatric," before "psychological".

(b) AMENDMENTS TO TITLE I.—

(1) Section 130(b)(2) of the Act is amended by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Education".

(2)(A) Section 131 of the Act is repealed.

(B) The table of contents of the Act is amended by striking out the item relating to "Sec. 131".

(c) AMENDMENTS TO TITLE II.—Section 202(j)(1) of the Act is amended by striking out "at an institution of higher education".

(d) AMENDMENTS TO TITLE III.—

(1) Section 301(b)(1) of the Act is amended by striking out "Commission" and inserting in lieu thereof "Commissioner".

(2) Section 304(a)(2) of the Act is amended by striking out "program, and" and inserting in lieu thereof "program, and".

(3) Section 305(c) of the Act is amended by redesignating paragraph (3) as paragraph "(2)".

(4) Section 306 of the Act is amended by striking out "305(g)" and inserting in lieu thereof "305(f)".

(e) AMENDMENTS TO TITLE V.—

(1) Section 501 of the Act is amended by striking out "Office of Personnel Management" each place it appears and inserting in lieu thereof "Equal Employment Opportunity Commission".

(2)(A) Section 501(d) of the Act is amended by striking out "of the the activities" and inserting in lieu thereof "of the activities".

(B) Section 502(d)(2)(A) of the Act is amended by striking out "any, final order" and inserting in lieu thereof "any final order".

(C)(i) Section 502(d)(3) of the Act is amended by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "Department of Education".

(ii) Section 502(d)(3) of the Act is further amended by striking out "with respect overcoming to" and inserting in lieu thereof "with respect to overcoming".

(D) Section 502(e)(2) of the Act is amended by inserting "and" after "noncompliance".

(3) Section 503(a) of the Act is amended by striking out "section 7(7)" and inserting in lieu thereof "section 7(8)".

(4) Section 504 of the Act is amended by striking out "section 7(7)" and inserting in lieu thereof "section 7(8)".

(f) AMENDMENTS TO TITLE VI.—Section 611(a) of the Act is amended by striking out "section 7(7)" and inserting in lieu thereof "section 7(8)".

(h) AMENDMENTS TO TITLE VII.—Section 702 of the Act is amended by inserting "(a)" after the section designation.

SEC. 1003. CIVIL RIGHTS REMEDIES EQUALIZATION.

(a) GENERAL PROVISION.—

(1) A State shall not be immune under the Eleventh Amendment of the Constitution of the United States from suit in Federal court for a violation of section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, or the provisions of any other Federal statute prohibiting discrimination by recipients of Federal financial assistance.

(2) In a suit against a State for a violation of a statute referred to in paragraph (1), remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in the suit against any public or private entity other than a State.

(b) EFFECTIVE DATE.—The provisions of subsection (a) shall take effect with respect to violations that occur in whole or in part after the date of enactment of the Rehabilitation Act Amendments of 1986.

SEC. 1004. COST RATE REPORT OF THE SECRETARY.

(a) ASSESSMENT.—The Secretary of Education shall conduct an assessment of the direct and indirect cost rates charged to State agencies designated to administer or supervise the administration of the State plan under the Rehabilitation Act of 1973 by other State agencies.

(b) REPORT.—Not later than February 1, 1987, the Secretary shall submit a report of such assessment to the Congress. Such report shall include recommendations regarding alternative methods for establishing indirect cost rates, including establishing pre-determined fixed rates by statute and prescribing standards for negotiating such rates.

SEC. 1005. MAINTENANCE OF EFFORT.

(a) GENERAL PROVISION.—Notwithstanding any other provision of the Education of the Handicapped Act, the Secretary and the State educational agency, in the case of section 614(a)(2)(B)(ii) of that Act, shall not include expenditures made from an accrued fund reserve surplus after July 1, 1983, and prior to October 1, 1985, which are used for services for handicapped children.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to fiscal years beginning after September 30, 1983.

SEC. 1006. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act shall take effect on the date of its enactment.

And the Senate agree to the same.

AUGUSTUS F. HAWKINS,
MARIO BIAGGI,
PAT WILLIAMS,
MATTHEW G. MARTINEZ,
CHARLES A. HAYES,
DENNIS E. ECKART,
A.R. WALDON, Jr.,
JAMES M. JEFFORDS,
BILL GOODLING,
TOM COLEMAN,
STEVE BARTLETT,
Managers on the Part of the House.

ORRIN HATCH,
LOWELL P. WEICKER, Jr.,
ROBERT T. STAFFORD,
DON NICKLES,
STROM THURMOND,
JOHN F. KERRY,
PAUL SIMON,
EDWARD M. KENNEDY,
CHRISTOPHER J. DODD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4021) to extend and improve the Rehabilitation Act of 1973, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

1. Sec. 2 of the Act as amended by the Senate amendment adds that the purpose is "for individuals with handicaps in order to maximize their employability, independence and integration into the workplace and the community."

The House bill has no comparable provision.

The House recedes.

2(a). Sec. 3(a) of the Act as amended by the House bill transfers the authority to appoint the Commissioner of the Rehabilitation Services Administration from the President to the Secretary.

The Senate amendment contains no comparable provision.

The House recedes.

2b. Sec. 3(a) of the Act as amended by the House bill further has the Commissioner report directly to the Assistant Secretary of the Office of Special Education and Rehabilitative Services.

The Senate amendment contains no comparable provision.

The House recedes.

2(c). Sec. 3(a) of the Act as amended by the House bill further makes the Commissioner a GS–18 within the Senior Executive Service.

The Senate amendment contains no comparable provision.

The House recedes.

2(d). Sec. 3(a) of the Act as amended by the House bill further requires the Commissioner to have "substantial experience" in rehabilitation and in rehabilitation program management.

The Senate amendment contains no comparable provision.

The Senate recedes.

3. Sec. 3(a) of the Act as amended by the House bill strikes out the words "his functions" and replaces it with "the functions of the office".

The Senate bill contains no comparable provision.

The Senate recedes.

4(a). Sec. 3(c)(1) of the Act as amended by the Senate amendment adds a new subsection directing the Secretary to ensure that the staffing of RSA be sufficient to meet program needs and at levels to attract and maintain the most qualified personnel.

The House bill contains no comparable provision.

The House recedes.

4(b). Sec. 3(c)(2) of the Act as amended by the Senate amendment further provides that qualified personnel shall include individuals with training and experience in the provisions of rehabilitation services; and that competencies meet professional standards.

The House bill contains no comparable provision.

The House recedes.

5. Sec. 6(b) of the Act as amended by the House bill strikes the word "he" and replaces it with "the Secretary".

The Senate amendment contains no comparable provision.

The Senate recedes.

6. Sec. 7(4) of the Act as amended by the House bill strikes the word "he" and replaces it with "the Secretary".

The Senate amendment contains no comparable provision.

The Senate recedes.

7(a). Sec. 7(5)(B) of the Act as amended by the Senate amendment adds "recreational" to the list of factors to be included in the diagnostic study of the individual.

The House bill contains no comparable provision.

The House recedes.

7(b). Sec. 7(5)(B) of the Act as amended by the Senate amendment further adds "employability" to the list of items to be evaluated for each individual.

The House bill contains no comparable provision.

The House recedes.

8. Sec. 7(5)(G) of the Act as amended by the House bill strikes the words "handicapped individual" both places it occurs and replaces it with the words "individuals with handicaps".

The Senate amendment contains no comparable provision.

The Senate recedes.

9. Sec. 7(5)(H) of the Act as amended by the Senate amendment adds "where appropriate, the provision of rehabilitation engineering services" to the assessment of an individual.

The House bill contains no comparable provision.

The House recedes.

10. Sec. 7(6) of the Act as amended by the Senate amendment adds a new definition of "employability" which is defined as "a determination that, with the provision of vocational rehabilitation services, the individual is likely to enter or retain, as a primary objective, full-time employment and when appropriate, part-time em-

ployment consistent with the capacities or abilities of the individual in the competitive labor market or any other vocational outcome the Secretary may determine".

The House bill contains no comparable provision.

The House recedes with an amendment inserting before the period "consistent with the Act". The Managers wish to make it clear that although the Secretary is authorized to determine additional vocational outcomes not specifically included in the statute, such a determination must be consistent with the Act.

11. Sec. 7(6) of the Act as amended by the House bill retains the 80 percent Federal share for FY 1987 and FY 1988. Beginning in FY 1989, the Federal share would decrease 1 percent for 5 years for funds in excess of the amount received in FY 1988. The Federal share would remain 80 percent for funds received by States that were equal to or less than the amount received in FY 1988.

The Senate amendment contains no comparable provision.

The Senate recedes.

12. Sec. 7(7) of the Act as amended by the House bill strikes out "a handicapped individual" each place it appears and replaces it with "an individual with handicaps". This change appears throughout the House bill.

The Senate amendment contains no comparable provision.

The Senate recedes.

13(a). Sec. 7(8) of the Act as amended by the House bill amends the definition of "local agency" by striking out "tribal" and all that follows before and the period and inserts "tribe (or combination of such units or tribes)".

The Senate amendment contains no comparable provision.

The House recedes with an amendment changing "Indian tribal organizations" to "an Indian tribe" and changing "organizations" to "tribes".

13(b). Sec. 7(8) of the Act as amended by the House bill deletes the last sentence.

The Senate amendment contains no comparable provision.

The House recedes.

14. Sec. 7(12) of the Act as amended by the Senate amendment adds a new definition of "rehabilitation engineering" which defines it as "the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with handicaps in areas which included education, rehabilitation, employment, transportation, independent living, and recreation."

The House bill contains no similar provision.

The House recedes.

15. Sec. 7(13)(C) of the Act as amended by the Senate amendment strikes "or" and inserts "and".

The House bill contains no similar provision.

The House recedes.

16. Sec. 7(11)(F) of the Act as amended by the House bill adds "psychiatric" to the list of services.

Sec. 7(13)(F) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

17. Sec. 7(13)(M) of the Act as amended by the Senate amendment adds "psychosocial rehabilitation services for individuals with chronic mental illness".

The House bill contains no similar provision.

The House recedes.

18. Sec. 7(13)(A) of the Act as amended by the House bill amends the definition of "individuals with severe handicaps".

Sec. 7(15) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

19. Sec. 7(13)(B) of the Act as amended by the House bill adds a new definition of "individuals with severe handicaps" for purposes of title VII of the Act.

The Senate amendment contains no similar provision.

The Senate recedes. This amendment simply includes in the statute the current definition from the regulations. Thus, this amendment should in no way be construed to modify current law or policy.

20. Sec. 7(16) of the Act as amended by the House bill adds a new definition of "public or nonprofit agency or organization" to include an Indian tribe.

The Senate amendment contains no similar provision.

The Senate recedes.

21. Sec. 7(17) of the Act as amended by the House bill adds a new definition of "Indian", "American Indian", and "Indian American" to mean "an individual who is a member of an Indian tribe".

The Senate amendment contains no similar provision.

The Senate recedes.

22. Sec. 7(18) of the Act as amended by the House bill adds a new definition of "Indian tribe" to mean "any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaskan native village or regional village corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act)."

The Senate amendment contains no similar provision.

The Senate recedes.

23. Sec. 7(18) of the Act as amended by the Senate amendment adds a new definition of "supported employment".

The House bill contains no similar provision.

The House recedes. The conference agreement adopts the Senate definition of supported employment. Supported employment is defined to mean competitive work in integrated work settings for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or for individuals for whom competitive employment has been interrupted or intermittent as a result of a severe disability, and who, because of their handicap, need ongoing support services to perform such work. Conferees intend that the phrase "competitive employment" refers to placement of dis-

abled individuals in competitive environments in integrated work settings with non-disabled employees.

The conference agreement further clarifies that the term supported employment includes transitional employment programs for individuals with chronic mental illness. Such transitional employment programs refer to a wide range of work arrangements in the mental health field characterized by intensive contact between the client and a trainer, with a gradual reduction of assistance as a client becomes more skilled. The conference agreement recognizes transitional employment programs in the mental health rehabilitation field as one variation of the supported employment model. However, the conferees do not intend that supported employment services be limited to any one model of service provision or provided exclusively to one group of disabled individuals.

Finally, the conference agreement clarifies that, for the purpose of the Rehabilitation Act, supported employment may be considered an acceptable outcome for employability. The conferees recognize that research, demonstration projects, and successful service provision data have demonstrated the clear employment potential of disabled persons through supported employment and intensive individualized vocational training. The conferees are impressed by evidence that very severely disabled persons are capable of meaningful employment, given appropriate supports. Placement in supported employment is already considered by some State vocational rehabilitation systems to be an acceptable employment outcome. The conferees intend that all States may consider supported employment an acceptable employment outcome for their Title I program.

24(a). Sec. 12(a)(5) of the Act as amended by the Senate amendment deletes the authority to provide staff and assistance to the National Council on the Handicapped.

The House bill contains no similar provision.

The House recedes.

24(b). Sec. 12(a)(5) of the Act as amended by the Senate amendment adds a new subsection "provide monitoring and conduct evaluations".

The House bill contains no similar provision.

The House recedes.

25. Sec. 12(b) of the Act as amended by the House bill strikes "his" and "this" and inserts "the".

The Senate amendment contains no comparable provision.

The Senate recedes.

26. Sec. 12(b)(2) of the Act as amended by the Senate amendment adds the authority for the Commissioner "to appoint such task forces as may be necessary".

The House bill contains no comparable provision.

The House recedes.

27. Sec. 12(c) of the Act as amended by the House bill strikes "he" and inserts "are considered".

The Senate amendment contains no comparable provision.

The Senate recedes.

28(a). Sec. 13 of the Act as amended by the House bill requires that the annual RSA report go to the President and Congress simultaneously.

The Senate amendment contains no comparable provision.

The Senate recedes.

28(b). Sec. 13 of the Act as amended by the House bill further requires the annual report to include "the activities and staffing of the information clearinghouse under section 15".

The Senate amendment contains no comparable provision.

The Senate recedes.

28(c). Sec. 13 of the Act as amended by the House bill further requires that the annual report include "an evaluation of the status of individuals with severe handicaps".

The Senate amendment contains no comparable provision.

The Senate recedes.

29(a). Sec. 14(a) of the Act as amended by the Senate amendment adds a purpose clause.

The House bill contains no comparable provision.

The House recedes.

29(b). Sec. 14(a) of the Act as amended by the Senate amendment transfers authority from the Secretary to the Commissioner to evaluate all the programs authorized by the Act.

The House bill contains no comparable provision.

The House recedes.

29(c). Sec. 14(a) of the Act as amended by the Senate amendment further requires that evaluations use "appropriate methodology and evaluative research designs".

The House bill contains no comparable provision.

The House recedes.

30. Sec. 14(b), (c), and (d) of the Act as amended by the Senate amendment transfers authority from the Secretary to the Commissioner.

The House bill contains no comparable provision.

The House recedes.

31. Sec. 14(c) of the Act as amended by the House bill requires that the annual evaluation summaries include "the standards used for such evaluations".

The Senate amendment contains no comparable provision.

The Senate recedes.

32. Sec. 14(e) of the Act as amended by the House bill strikes "him" and inserts "of the Secretary".

Sec. 14(e) of the Act as amended by the Senate amendment strikes "Secretary" and inserts "Commissioner" and retains "him".

The Senate recedes with an amendment striking "Secretary" and inserting "Commissioner" both times it appears.

33. Sec. 16(b) of the Act as amended by the Senate amendment authorizes the use of "no more than one-half of 1 percent of funds appropriated for discretionary programs for non-Federal panels of experts" in the review process.

The House bill contains no comparable provision.

The House recedes.

34. Sec. 17 of the Act as added by the House bill allows for the "application of any State rule or policy relating to the administration or operation of programs funded by this Act" to be "identified as a State imposed requirement".

The Senate amendment contains no comparable provision.

The Senate recedes.

35(a). Sec. 17 of the Act as added by the Senate amendment adds a review procedure of grant applications and contracts in excess of $125,000.

The House bill contains no comparable provision.

The House recedes with an amendment deleting "$125,000" and inserting "$60,000 in the aggregate except for contracts for evaluations, dissemination and conferences".

35(b). Sec. 17 of the Act as added by the Senate amendment further states that each review panel must consist of a "majority of non-Federal members".

The House bill contains no comparable provision.

The House recedes.

35(c). Sec. 17 of the Act as amended by the Senate amendment further adds that the non-Federal panel members be provided "travel, per diem and consultant fees".

The House bill contains no comparable provision.

The House recedes.

36. Sec. 100(b)(1)(A) of the Act as amended by the House bill authorizes $1,301,862,400 for basic State grant entitlements for fiscal year 1987.

Sec. 100(b)(1)(A) of the Act as amended by the Senate amendment authorizes $1,281,000,000 for such purpose.

The House recedes with an amendment. The Conferees intend that the amount determined under subsection (c) for each fiscal year shall be based upon the amount authorized by this subsection, or the amount appropriated for this subsection, whichever is higher, plus the amount determined under subsection (c), for the immediately preceding fiscal year.

37. Sec. 100(b)(1)(A) of the Act as amended by the House bill provides a 5-year reauthorization for State grant entitlements through fiscal year 1991.

Sec. 100(b)(1)(A) of the Act as amended by the Senate amendment provides for a 4-year reauthorization through fiscal year 1990.

The Senate recedes with an amendment adding a new subsection (C) which establishes the following authorization ceilings: $1,281,000,000 for fiscal year 1987; $1,409,100,000 for fiscal year 1988; $1,550,010,000 for fiscal year 1989; $1,705,011,000 for fiscal year 1990; and $1,875,512,100 for fiscal year 1991.

38. Sec. 100(b)(2) of the Act as amended by the House bill authorizes such sums for section 120(a)(1) of the Act through fiscal year 1991.

Sec. 100(b)(2) of the Act as amended by the Senate amendment authorizes such sums through fiscal year 1990.

The Senate recedes.

39. Sec. 100(b)(3) of the Act as amended by the House bill authorizes such sums for Indian tribes under Part D of the Act through fiscal year 1991.

Sec. 100(b)(3) of the Act as amended by the Senate amendment authorizes such sums through fiscal year 1990.

The Senate recedes with an amendment deleting section 100(b)(3).

40. Sec. 100(d) of the Act is deleted in the House bill.

The Senate amendment retains current law.

The House recedes with an amendment changing "1986" to "1991".

41. Sec. 101(a)(5)(A) of the Act as amended by the House bill adds "the results of a comprehensive, State-wide assessment of the rehabilitation needs of all individuals with severe handicaps residing within the State and the State's response to the assessment".

Sec. 101(a)(5)(A) of the Act as amended by the Senate amendment contains a similar provision except it does not contain the words "comprehensive" or "all".

The Senate recedes with an amendment deleting the word "all".

42. Sec. 101(a)(5)(A) of the Act as amended by the Senate amendment adds a requirement to include individuals served by the new title VI-C to require a description of the method to be used to expand and improve services to this population.

The House bill contains no comparable provision.

The House recedes.

43. Sec. 101(a)(5)(A) of the Act as amended by the House bill adds a requirement to show and justify the order of selection.

Sec. 101(a)(5)(A) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

44. Sec. 101(s)(5)(E) of the Act as amended by the House bill adds a requirement to "describe the manner in which rehabilitation engineering services will be utilized to provide assistance".

Sec. 101(a)(5)(C) of the Act as amended by the Senate amendment contains a similar provision.

The House recedes.

45. Sec. 101(a)(7)(B) of the Act as amended by the House bill inserts "qualified" before the reference to personnel providing services.

The Senate amendment contains no comparable provision.

The Senate recedes.

46(a). Sec. 101(a)(8) of the Act as amended by the House bill changes the requirement of "full consideration" of eligibility for similar benefits under other programs to require a determination that "comparable services and benefits are not available under any other program" before vocational rehabilitation services are provided.

The Senate amendment contains no comparable provision.

The Senate recedes.

46(b). Sec. 101(a)(8) of the Act as amended by the Senate amendment adds rehabilitation engineering services to the list of services to be provided without consideration of similar benefits.

The House bill contains no comparable provision.

The House recedes.

46(c). Sec. 101(a)(8) of the Act as amended by the House bill adds an exception for similar benefits determination where it would delay the provision of services to any individual "at extreme risk".

The Senate amendment contains no comparable provision.

The Senate recedes.

47. Sec. 101(a)(10) of the Act as amended by the House bill strikes "his functions" and inserts "the functions of the Commissoner".

The Senate amendment contains no comparable provision.

The Senate recedes.

48. Sec. 101(a)(11) of the Act as amended by the House bill adds cooperative agreements with "community mental health programs".

Sec. 101(a)(11) of the Act as amended by the Senate amendment adds cooperative agreements with "mental health community support programs".

The Senate recedes.

49. Sec. 101(a)(15) of the Act as amended by the Senate amendment adds a requirement to conduct "a full needs assessment for serving individuals with severe handicaps" as part of the continuing State-wide studies of the needs of handicapped individuals and how these needs may be effectively met.

The House bill contains no comparable provision.

The House recedes. The conferees intend that the States need only include a summary of the needs assessment as part of the State plan.

50. Sec. 101(a)(20) of the Act as amended by the House bill requires the assurance that "as appropriate the State shall actively consult with Indian tribes and tribal organizations and native Hawaiian organizations in the development of the State plan".

The Senate amendment contains no comparable provision.

The Senate recedes. The term "consultation" does not require or prohibit a formal approval of the State plan.

51(a). Sec. 101(a)(23)(A) of the Act as amended by the House bill requires that "in the formulation of the State plan, and any revisions, that the State agency conducts public meetings throughout the State."

The Senate amendment contains no comparable provision.

The Senate recedes.

51(b). Sec. 101(a)(23)(B) of the Act as amended by the House bill requires a summary of the public comments and the response to those comments.

The Senate amendment contains no comparable provision.

The Senate recedes.

52. Sec. 101(a)(23) of the Act as amended by the Senate amendment requires assurance that the State has an acceptable plan for title VI–C.

The House bill contains no comparable provision.
The House recedes.

53. Sec. 101(a)(24) of the Act as amended by the House bill adds a requirement for the inclusions of "plans, policies, and methods to be followed to assist in the transition from education to employment related activities".
The Senate amendment contains no comparable provision.
The Senate recedes.

54. Sec. 101(b) of the Act as amended by the House bill strikes "he" and"his" and inserts "the Commissioner".
The Senate amendment contains no comparable provision.
The Senate recedes.

55. Sec. 101(c)(1)(B) of the Act as amended by the House bill strikes "his", "until he is satisfied there is no longer any such failure", and "he" and inserts "of the Commissioner" and "the Commissioner".
The Senate amendment contains no comparable provision.
The Senate recedes.

56. Sec. 101(d)(1) of the Act as amended by the House bill strikes "him" and "he" and inserts "the Commissioner" both times.
The Senate amendment contains no comparable provision.
The Senate recedes.

57. Sec. 102(a) of the Act as amended by the House bill strikes "his" and inserts "such individual's".
The Senate amendment contains no comparable provision.
The Senate recedes.

58. Sec. 102(b) of the Act as amended by the House bill adds "goals based on an assessment determined through an evaluation of rehabilitation potential under section 7(5)".
The Senate amendment contains no comparable provision.
The Senate recedes with amendment delet "under section 7(5)". The determination must be based on an assessment determined through an evaluation of rehabilitation potential as defined in section 7(5) of the Act.

59(a). Sec. 102(b)(1)(A) of the Act as amended by the Senate amendment requires that the IWRP "be developed on the basis of determination of employability".
The House bill contains no comparable provision.
The House recedes with an amendment adding "designed" before "to achieve".

59(b). Sec. 102(b)(1)(B) of the Act as amended by the Senate amendment adds the inclusion of "a statement of the long-range rehabilitation goals".
The House bill retains current law.
The House recedes to the Senate and the Senate recedes to the House with a conforming amendment.

59(c). Sec. 102(b)(1)(C) of the Act as amended by the Senate amendment adds the inclusion of "a statement of the intermediate rehabilitation objectives".
The House bill retains current law.

The House recedes to the Senate and the Senate recedes to the House with a conforming amendment.

59(d). Sec. 102(b)(1)(D) of the Act as amended by the Senate amendment adds the inclusion of "a statement of the specific rehabilitation engineering services to be provided".

The House bill contains no comparable provision.

The House recedes with a conforming amendment.

59(e). Sec. 102(b)(1)(E) of the Act as amended by the Senate amendment adds "an assessment of the expected need for post-employment services".

The House bill contains no comparable provision.

The House recedes with a conforming amendment.

59(f). Sec. 102(b)(1)(F) of the Act as amended by the Senate amendment adds the inclusions of "a statement of the specific vocational rehabilitation services to be provided and the projected dates for the initiation and the anticipated duration of each such service".

The House bill contains a similar provision.

The House recedes to the Senate and the Senate recedes to the House with a conforming amendment.

59(g). Sec. 102(b)(1)(G) of the Act as amended by the Senate amendment adds "objective criteria and an evaluation procedure and schedule".

The House bill contains no similar provision.

The House recedes with a conforming amendment.

59(h). Sec. 102(b)(1)(H) of the Act as amended by the Senate amendment provides "for a reassessment of the need for post-employment services prior to case closure".

The House bill contains no comparable provision.

The House recedes with a conforming amendment. Of course, the conferees intend that there should be a reassessment of other services, where appropriate, and not just post-employment services.

59(i). Sec. 102(b)(1)(I) of the Act as amended by the Senate amendment requires "a description of the availability of a client assistance project" to be given to the individual.

The House bill contains no comparable provision.

The House recedes with a conforming amendment.

60. Sec. 102(b)(2) of the Act as amended by the Senate amendment requires the provision of an annual review and as needed revisions of the IWRP.

The House bill contains no comparable provision.

The House recedes.

61. Sec. 102(c) of the Act as amended by the House bill strikes "his" and inserts "such individual's".

The Senate amendment contains no comparable provision.

The Senate recedes.

62(a). Sec. 102(d)(1) of the Act as amended by the House bill requires that review procedures provide an opportunity for submission of additional evidence and information.

The Senate contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment.

The conference agreement amends Sec. 102 of the Act to provide that the Director of any designated State unit shall establish procedures for the review of determinations made by the counselor or coordinator. The agreement provides that such procedures will include review by an impartial hearing officer if requested by the individuals.

The conferees believe that an impartial due process system is in the interest of both the clients and the rehabilitation service agencies. The conferees intend that persons appointed to the position of impartial hearing officer shall have a background and experience in, and have knowledge of, the delivery of vocational rehabilitation services. Further, the conferees intend that the impartial hearing officer be an individual who has had no previous involvement in the decisions or services in dispute.

The responsibility for assuring that services are delivered to all clients consistent with sound vocational rehabilitative principles and that disputes are resolved promptly on a fair and equitable basis remains with the Director of the designated State unit. The Director will be responsible for a final review of determinations made by the impartial hearing officer, where such review occurs. The conferees expect that the review by the Director will occur in a timely manner, and further expect the Rehabilitation Services Administration to develop regulations delineating timelines for such review.

The conference agreement repeals Section 102(d)(2) of the Act, which provided for a review by the Secretary of decisions made by the Director.

In order to monitor the implementation of review procedures, the conference agreement requires State vocational rehabilitation agencies to provide specific data on reviews held in each State, and directs RSA to summarize this information in the Annual Report to Congress beginning February, 1988. The conferees expect that a GAO report will be requested by Congress prior to the fiscal year 1990 to further analyze the review system which States establish.

Nothing in the conference agreement prohibits any individual from pursuing a private right of action.

62(b). Sec. 102(d)(1) of the Act as amended by the House bill further requires that the final decision include "a full report of the Director's findings and the grounds for such decision".

The Senate amendment contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment. (See #62(a))

62(c). Sec. 102(d)(1) of the Act is amended by the House bill further requires that "a copy of such decision be provided to such individuals".

The Senate amendment contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment. (See #62(a))

63(a). Sec. 102(d)(1) of the Act as amended by the Senate amendment allows the handicapped individual the right to a review of a determination or decision.

The House bill contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment. (See #62(a))

63(b). Sec. 102(d)(2) of the Act as amended by the Senate amendment requires the Director to establish procedures for the review.

The House bill contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House. (See #62(a))

63(c). Sec. 102(d)(2) of the Act as amended by the Senate amendment further requires that the review to be held before an impartial hearing officer.

The House bill contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment. (See #62(a))

64. Sec. 102(d)(2) of the Act as amended by the House bill strikes "his" and "his responsibilities" and inserts "such individual's" and "any responsibilities of the Secretary", respectively.

The Senate amendment strikes this subsection.

The House recedes.

65. Sec. 102(d)(3) of the Act as amended by the House bill permits a fair hearing board to review the determination made.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment changing date to "1985".

66. Sec. 103(a)(1) of the Act as amended by the House bill adds "evaluation by personnel skilled in rehabilitation technology" to the description of evaluation of rehabilitation potential under scope of services.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment adding "engineering" after "rehabilitation" and adding a comma after "technology".

67. Sec. 103(a)(2) of the Act as amended by the House bill strikes "other postemployment services necessary to assist individuals to maintain their employment" and inserts "specific postemployment services necessary to assist individuals to maintain or regain employment".

The Senate amendment contains no comparable provision.

The Senate recedes.

68. Sec. 103(a)(11) of the Act as amended by the House bill adds "rehabilitation engineering services designed to assist individuals with severe handicaps increase their functional abilities and potential for self-sufficiency".

Sec. 103(12) of the Act as amended by the Senate amendment adds "rehabilitation engineering services".

The House recedes.

69. Sec. 104 of the House bill adds "(or to an Indian tribe under part D of this title)".

The Senate amendment contains no comparable provision.

The Senate recedes.

70. Sec. 110(a)(1) of the Act as amended by the House bill requires State allotments to be subject to the provisions of new subsection "(d)".

The Senate amendment contains no comparable provision.

The Senate recedes.

71. Sec. 110(b)(2) of the Act as amended by the House bill ties the additional payment under the maintenance of effort clause to fiscal year 1972.

The Senate amendment contains no comparable provision.

The Senate recedes.

72. Sec. 110(b)(2) of the Act as amended by the House bill strikes "80 percent" and inserts "the applicable Federal share" both times it appears.

The Senate amendment contains no comparable provision.

The Senate recedes.

73(a). Sec. 110(c)(1) of the Act as amended by the House bill requires that the Commissioner to make a determination that States will not use their full allotments not later than 45 days before the end of the fiscal year.

The Senate amendment contains no comparable provision.

The Senate recedes with a gender-free amendment.

73(b). Sec. 110(c)(2) of the Act as amended by the House bill requires the Commissioner to make such allotments available to other States.

The Senate amendment contains no comparable provision.

The Senate recedes.

73(c). Sec. 110(c)(3) of the Act as amended by the House bill requires that such additional amounts be regarded as an increase in such State's allotment.

The Senate amendment contains no comparable provision.

The Senate recedes.

73(d). Sec. 110(d)(1) of the Act as amended by the House bill requires the Commissioner to reserve the portion authorized for title I–D from the rest of the amount authorized.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment deleting "authorized to be".

73(e). Sec. 110(d)(2) of the Act as amended by the House bill requires ¼ of one percent and not more than one percent to be available for title I–D.

The Senate amendment contains no comparable provision.

The Senate recedes.

74(a). Sec. 111(a)(1) of the Act as amended by the House bill ties the maintenance of effort requirement to 1972 "except as provided in paragraph (2)".

The Senate amendment contains no comparable provision.

The Senate recedes.

74(b). Sec. 111(a)(2)(A) of the Act as amended by the House bill authorizes waiver or modifications of requirements concerning construction of rehabilitation facilities.

The Senate amendment contains no comparable provision.

The Senate recedes.

74(c). Sec. 111(a)(2)(B) of the Act as amended by the House bill bases the maintenance of effort requirement on average expenditures for the three preceding fiscal years, rather than fiscal year 1972.

The Senate amendment contains no comparable provision.

The Senate recedes.

75. Sec. 111(b) of the Act as amended by the House bill strikes "his", "him", and "he finds that his" and inserts "the Commissioner", "the Commissioner" and "the Commissioner finds that the", respectively.

The Senate amendment contains no comparable provision.

The Senate recedes.

76. Sec. 112(a) of the Act as amended by the Senate amendment authorizes the CAPs to provide information on services available under the Act "to any handicapped individual in the State".

The House bill contains no comparable provision.

The House recedes.

77(a). Sec. 112(c)(1)(A) of the Act as amended by the Senate amendment limits to initial agency designation the grandfathering exemption from the independence requirement.

Sec. 112(c)(1) of the Act as amended by the House bill retains current law.

The House recedes.

77(b). Sec. 112(c)(1) of the Act as amended by the House bill to allow the removal of the agency designated as the CAP only for good cause.

Sec. 112(c)(1)(B) of the Act as amended by the Senate amendment prohibits the Governor from redesignating the agency designated without good cause and requires that notice be given of the intention to redesignate such agency.

The House recedes.

78. Sec. 112(e)(3)(D) of the act as amended by the House bill allows for an increase in the minimum allotment when the current fiscal year's appropriation exceeds the previous fiscal year and is more than the percentage increase in the Consumer Price Index and that such increase will not result in a decrease in allotment to any other State.

Sec. 112(e)(1)(D) of the Act as amended by the Senate amendment increases the minimum allotment to $75,000 for States and to $45,000 for territories whenever the appropriation exceeds $7.5 million.

The House recedes. The conferees intend that the price index to be used to increase the minimum allotment for the CAP be the percentage change published in the Federal Register for the preceding fiscal year by the Secretary of Labor as required under section 100(c)(1).

79. Sec. 112(e)(2) of the Act as amended by the House bill strikes "from time to time on such dates he may fix" and inserts "at appropriate times".

The Senate amendment contains no comparable provision.

The Senate recedes with a gender-free amendment.

80. Sec. 112(e)(3)(A) of the Act as amended by the House bill to direct the Secretary to pay CAP funds directly to the designated CAP agency, rather than the Governor, except as specifically prohibited or as otherwise provided in State law.

Sec. 112(e)(3)(A) of the Act as amended by the Senate amendment is similar but does not have the exclusion for State law.

The Senate recedes. The applicability of State law governs the payment of Client Assistance Program funds directly to the designated CAP agency; for all other purposes Federal law governs.

81. Sec. 112(g)(1) of the Act as amended by the Senate amendment strikes "or receive benefits of any kind directly or indirectly".

The House bill contains no comparable provision.

The House recedes.

82. Sec. 112(i) of the Act as amended by the House bill authorizes such sums through fiscal year 1991.

Sec. 112(i) of the Act as amended by the Senate amendment authorizes:

[In millions of dollars]

Fiscal year:	
1987	7.10
1988	7.55
1989	8.00
1990	8.45

The House recedes with an amendment adding an authorization for fiscal year 1991 of $8,796,000.

83. Sec. 120(b) of the Act as amended by the House bill strikes "he" both times it appears and inserts "the Commissioner".

The Senate amendment contains no comparable provision.

The Senate recedes.

84. Sec. 121(b) of the Act as amended by the House bill strikes "fiscal year ending September 30, 1986" and inserts "fiscal year 1991".

The Senate amendment contains no comparable provision.

The Senate recedes.

85(a). Sec. 130(a) of the Act as amended by the House bill adds "(and consortia of such governing bodies)" to eligible parties.

The Senate amendment contains no comparable provision.

The Senate recedes.

85(b). Sec. 130(a) of the Act as amended by the House bill further adds that the non-Federal share may be "in cash or in kind, fairly valued".

The Senate amendment contains no comparable provision.

The Senate recedes.

85(c). Sec. 130(a) of the Act as amended by the House bill allows the Commissioner to waive "the non-Federal share requirement in order to carry out the purposes of this Act".

The Senate amendment contains no comparable provision.

The Senate recedes.

86. Sec. 130(b)(1)(B) of the Act as amended by the House bill adds "where appropriate, may include services traditionally used by Indian tribes".

The Senate amendment contains no comparable provision.

The Senate recedes.

87. Sec. 130(b)(2) of the Act as amended by the Senate amendment strikes "Health, Education and Welfare" and inserts "Education".

The House amendment contains no comparable provision.

The House recedes.

88. Sec. 130(b)(3) of the Act as amended by the House bill establishes the maximum project period to be 36 months, but retains authority to modify by regulation.

The Senate amendment contains no comparable provision.

The Senate recedes.

89. Sec. 130(b)(4) of the Act as amended by the House bill requires that a priority be given to previously funded projects.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment adding "Nothing in this section shall be construed to authorize a separate service delivery system for Indian residents of a state who reside in non-reservation areas."

90. Sec. 130(d) of the Act as amended by the House bill is deleted.

The Senate amendment contains no comparable provision.

The Senate recedes.

91. Sec. 131(3) of the Act as amended by the House bill requires that the evaluation of the Indian program include an evaluation of the "nature and extent of cooperative efforts" between the Indian program and other vocational rehabilitation programs.

Sec. 131 of the Act as amended by the Senate amendment is deleted.

The House recedes with an amendment deleting Sec. 131(3). (See #92).

92. Sec. 132 of the Act as amended by the House bill requires a study, in conjunction with other Federal officials and Indian representatives, on the "special problems and needs" of Indians with handicaps, both on and off the reservation and that the report be submitted to the President and Congressional within 12 months of the enactment of this bill.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment adding language of Sec. 131(3).

93(a). Sec. 201(a)(1) of the Act as amended by the House bill authorizes "such sums" for the National Research Institute on Disability and Rehabilitation under Sec. 202, other than expenses under Sec. 204, through fiscal year 1991.

Sec. 201(a)(1) of the Act as amended by the Senate amendment authorizes "such sums" for NIHR under Sec. 202, other than expenses under Sec. 204, through fiscal year 1990.

The Senate recedes with an amendment changing the name of the National Institute of Handicapped Research to the National Institute on Disability and Rehabilitation Research.

93(b). Sec. 201(a)(2) of the Act as amended by the House bill authorizes "such sums" for research under Sec. 204 through fiscal year 1991.

Sec. 201(a)(2) of the Act as amended by Senate amendment authorizes the following amounts for Sec. 204, including amount listed for rehabilitation engineering centers in South Carolina and Connecticut under Sec. 204(b)(2)(C):

[In millions of dollars]

	Sec. 204	Sec. 204(b)(2)(C)
Fiscal year:		
1987	49	1.000
1988	52	1.050
1989	55	1.1025
1990	58	1.160

The House recedes with an amendment authorizing $60,378,000 for fiscal year 1991 for the purposes of carrying out Sec. 204, of which $1,208,000 shall be available for carrying out Sec. 204(b)(2)(C).

94. Sec. 202(a) of the Act as amended by the House bill strikes "National Institute of Handicapped Research" and inserts "National Research Institute on Disability and Rehabilitation". This occurs throughout the bill.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment changing the name of the institute to the "National Institute on Disability and Rehabilitation Research". In light of the current budget constraints, the Managers intend that the Institute use up rather than discard all existing stationery and other materials which include the current name.

95. Sec. 202(a) of the Act as amended by the House bill strikes "his functions" and inserts "the functions of the office".

The Senate amendment contains no comparable provision.

The Senate recedes.

96. Sec. 202(b)(8) of the Act as amended by the House bill adds "the Bureau of Indian Affairs, the Indian Health Service," to the list of named agencies with which the Institute shall produce statistical reports and studies.

The Senate amendment contains no comparable provision.

The Senate recedes.

97(a). Sec. 202(c) of the Act as amended by the House bill transfers the authority to appoint the Director from the President to the Secretary.

The Senate amendment contains no comparable provision.
The House recedes.

97(b). Sec. 202(c) of the Act as amended by the House bill further requires the Director to report directly to the Assistant Secretary for the Office of Special Education and Rehabilitative Services.
The Senate amendment contains no comparable provision.
The House recedes.

97(c). Sec. 202(c) of the Act as amended by the House bill further establishes that the Director's position be a GS-18 in the Senior Executive Service.
The Senate amendment contains no comparable provision.
The House recedes.

97(d). Sec. 202(c) of the Act as amended by the House bill further requires that the Director be guided by the general policies of the National Council on the Handicapped.
The Senate amendment contains no comparable provision.
The Senate recedes.

98. Sec. 202(e) of the Act as amended by the House bill strikes "he" and inserts "the Director".
The Senate amendment contains no comparable provision.
The Senate recedes.

99. Sec. 202(i) of the Act as amended by the House bill strikes "whatever actions he considers appropriate" and "in his role of Chairman" and inserts "actions" and "as Chairperson", respectively.
The Senate amendment contains no comparable provision.
The Senate recedes.

100. Sec. 202(j) of the Act as amended by the Senate amendment adds a purpose statement for the research and training center in the Pacific Basin.
The House bill contains no comparable provision.
The House recedes.

101. Sec. 202(j)(3) of the Act as amended by the House bill requires the Director to establish an R&T Center "associated with an institution of higher education, concerning the delivery of rehabilitation services to rural areas".
The Senate amendment contains no comparable provision.
The Senate recedes. It is the intent of the conferees that the rural Research and Training Center be located in Missoula, Montana.

102. Sec. 202(k) of the Act as amended by the House bill requires grants be made to institutions of higher education "for the training of researchers in the field of rehabilitation".
The Senate amendment contains no comparable provision.
The Senate recedes.

103. Sec. 202(l) of the Act as amended by the House bill requires the Director to submit policy recommendations to Congress "for congressional establishment of an agency designed to ensure (l) the development and cost-effective production and marketing of techno-

logical devices, and (2) the efficient distribution of this technology to handicapped individuals".

The Senate amendment contains no comparable provision.

The Senate recedes.

104. Sec. 202(m) of the Act as amended by the House bill requires the Director to study health insurance practices and policies affecting the handicapped and report to Congressional Committees by February 1, 1990.

The Senate amendment contains no comparable provision.

The Senate recedes.

105. Sec. 203(a)(1) of the Act as amended by the House bill adds the Assistant Secretary of the Interior for Indian Affairs and the Director of the Indian Health Service to the Interagency Committee.

Sec. 203(a)(1) of the Act as amended by the Senate amendment adds the Director of the National Institute of Mental Health.

The Senate recedes with an amendment adding the Director of the National Institute of Mental Health.

106(a). 204(a)(1) of the Act as amended by the House bill adds "Indian tribes and tribal organizations" to the list of grantees.

The Senate amendment contains no comparable provision.

The Senate recedes.

106(b). Sec. 204(a)(1) of the Act as amended by the Senate amendment adds "recreational" to the list of factors affecting rehabilitation of the handicapped that may be studied.

The House bill contains no comparable provision.

The House recedes.

106(c). Sec. 204(a)(1) of the Act as amended by the House bill adds "studies, analyses, and other activities related to supported employment" to the list of projects the Director may make grants for.

Sec. 204(a)(1) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

107. Sec. 204(b)(1) of the Act as amended by the House bill requires the consideration of rural issues, as appropriate, in determining the research to be carried out by each R&T Center.

The Senate amendment contains no comparable provision.

The Senate recedes. In specifying that the Director consider as appropriate rural issues, the Managers are requesting that the Director be sensitive to rural concerns and are not intending by this language to create a rural priority.

108. Sec. 204(b)(1) of the Act as amended by the House bill establishes a minimum annual award of $400,000 per center except for centers funded prior to enactment, and requires peer review to include consideration of past performance for any annual award of more than $400,000.

Sec. 204(b)(1) of the Act as amended by the Senate amendment requires the consideration of past performance for peer review of all renewal applications.

The House recedes. Research and Training Centers are established to: (a) provide a coordinated research program consisting of

multiple projects focused on a particular research area; (b) provide training of researchers and service personnel; and (c) disseminate research results. The Center is to be a resource to its region or the Nation with respect to research training and dissemination. Recently, many Centers have been funded at levels too low to enable these functions to be undertaken, even with local contributions. To assure the successful operation of this important program, the Secretary must establish funding guidelines to assure sufficient levels and the conferees believe the minimum amount should ordinarily be about $400,000. Guidelines may include exceptions where the specific research and training focus or other similar facts justify smaller amounts. The conferees believe that the current funding levels of many Centers of $500,000 to $750,000 are reasonable and consistent with other Federal research center funding levels and do not wish to see those levels reduced. The intent of the conferees is to assure a reasonable minimum in order to prevent clearly inadequate funding.

109. Sec. 204(b)(1) of the Act as amended by the Senate amendment limits the indirect cost charges to 15%.

The House bill contains no comparable provision.

The House recedes. The conferees intend that the indirect cost charges be limited to 15% of the total grant award, calculated on an annual basis.

110. Sec. 204(b)(2)(A) of the Act as amended by the House bill adds a requirement to "disseminate", as well as develop, innovative methods.

The Senate amendment contains no comparable provision.

The Senate recedes.

111. Sec. 204(b)(2)(B) of the Act as amended by the House bill authorizes Research and Training Centers to "demonstrate innovative models for the delivery to rural and urban areas of cost effective rehabilitative engineering services to assist in meeting the employment and independent living needs of individuals with severe handicaps".

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment adding "and disseminate" after "demonstrate". The inclusion of a reference to "urban and rural" areas is not intended to establish a priority for these areas.

112. Sec. 204(b)(2)(C) of the Act as amended by the Senate amendment authorizes two new rehabilitation engineering centers "to demonstrate and disseminate innovative models for the delivery of cost-effective rehabilitation engineering services" to be located in South Carolina and Connecticut.

The House bill contains no comparable provision.

The House recedes with an amendment to provide for competition for these Centers after four years. The conference agreement authorizes in fiscal year 1987 the establishment of two new rehabilitation engineering centers in the State of South Carolina and the State of Connecticut for the purpose of demonstrating and disseminating innovative models for the delivery of cost-effective rehabilitation services. The conferees expect both States will seek to

maximize the benefits of their centers. The conferees intend that the REC in South Carolina be established through the State rehabilitation agency. The conferees intend that the REC in Connecticut be established as a cooperative network of private nonprofit agencies, colleges and universities, business and State agencies, to be managed by the United Cerebral Palsy Association of Connecticut, Inc. in association with the New England Association of Business, Industry and Rehabilitation. Finally, it is the intent of the conferees that these awards be made within six months.

113. Sec. 204(b)(3)(C) of the Act as amended by the House bill requires that for R&T spinal cord research centers to take into account "the proposed center location and the appropriate geographic and regional allocation".

The Senate amendment contains no comparable provision.

The Senate recedes.

114. Sec. 204(b)(7) of the Act as amended by the Senate amendment adds "the National Institute of Mental Health" to the list of named agencies with which the Director may carry out joint projects.

The House bill contains no comparable provision.

The House recedes.

115. Sec. 204(b)(8) of the Act as amended by the House bill requires that research concerning older handicapped Indian Americans include those 55 and older, rather than 60 and older.

The Senate amendment contains no comparable provision.

The Senate recedes.

116. Sec. 204(11) of the Act as amended by the House bill adds "psychological" services.

The Senate amendment contains no comparable provision.

The Senate recedes.

117. Sec. 204(b)(14) of the Act as amended by the House bill adds the authority to conduct studies of the rehabilitation needs of Indians and of effective mechanisms for delivery of services to Indians on and off the reservations.

The Senate amendment contains no comparable provision.

The Senate recedes.

118. Sec. 204(b)(14) of the Act as amended by the Senate amendment adds the authority for a demonstration program, including projects of national scope, "to develop procedures to provide incentives for the development, manufacturing, and marketing of orphan technological devices" to assist handicapped individuals achieve independence and access to gainful employment.

The House bill contains no comparable provision.

The House recedes.

119. Sec. 204(d) of the Act as amended by the Senate amendment authorizes the Director to make site visits when evaluating projects and requires peer review site visits for any grant in excess of $299,999.

The House bill contains no comparable provision.

The House recedes with a technical amendment.

120. Sec. 301(a) of the Act as amended by the House bill extends such sums authorizations through fiscal year 1991, and allow the appropriated funds to remain available to October 1, 1992.

Sec. 301(a) of the Act as amended by Senate amendment extends such sums authorization through fiscal year 1990, and allows appropriated funds to remain available prior to October 1, 1991.

The Senate recedes.

121. Sec. 301(b)(1) of the Act as amended by the Senate amendment strikes "Commission" and inserts "Commissioner".

The House bill contains no comparable provision.

The House recedes.

122. Sec. 302(a) of the Act as amended by the House bill extends such sums authorization through fiscal year 1991.

Sec. 302(a) of the Act as amended by the Senate amendment extends such sums authorization through fiscal year 1990.

The Senate recedes.

123(a). Sec. 302(b)(3) of the Act as amended by the House bill strikes "on his determination", "his need", and "he" and inserts "if the Commissioner determines", "that individual's" and "the Commissioner", respectively.

The Senate amendment contains no comparable provision.

The Senate recedes.

123(b). Sec. 302(b)(3) of the Act as amended by the House bill adds "including supported employment".

The Senate amendment contains no comparable provision.

The Senate recedes.

124. Sec. 303(e)(1) of the Act as amended by the House bill strikes "he" and inserts "the Commissioner".

The Senate amendment contains no comparable provision.

The Senate recedes.

125. Sec. 303(e)(2)(B) of the Act as amended by the House bill strikes "he considers" and inserts "considered".

The Senate amendment contains no comparable provision.

The Senate recedes.

126. Sec. 303(e)(2)(C) of the Act as amended by the House bill strikes "his" both places it appears and inserts "a".

The Senate amendment contains no comparable provision.

The Senate recedes.

127. Sec. 303(f)(1)(A) of the Act as amended by the House bill strikes "(A) to enable him to discharge his responsibilities under loan guarantees issued by him under this section; and" and inserts "(A) to enable the Commissioner to discharge the responsibilities under the loan guarantees issued under this section; and".

The Senate amendment contains no comparable provision.

The Senate recedes.

128. Sec. 303(f)(1)(B) of the Act as amended by the House bill strikes "his from his" and inserts "the Commissioner from".

The Senate amendment contains no comparable provision.

The Senate recedes.

129. Sec. 303(f)(2)(A)(ii) of the Act as amended by the House bill strikes "he" and inserts "the Commissioner".

The Senate amendment contains no comparable provision.

The Senate recedes.

130. Sec. 303(f)(2)(C) of the Act as amended by the House bill strikes "he" and "him" and inserts "the Secretary" in both places.

The Senate amendment contains no comparable provision.

The Senate recedes.

131. Sec. 304(a)(2) of the Act as amended by the House bill adds "(2) personnel specifically trained to identify, assess and meet the individual rehabilitation needs of individuals with severe handicaps".

Sec. 304(a)(2) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

132. Sec. 304(a)(2) of the Act as amended by the House bill adds "Recipients of grants or contracts under this section shall give due regard to the training of individuals with handicaps as part of the effort to increase the number of qualified personnel available to provide rehabilitation services."

The Senate amendment contains no comparable provision.

The Senate recedes.

133(a). Sec. 304(b)(1) of the Act as amended by the House bill adds "rehabilitation engineering" to potential areas of shortage.

Sec. 304(b) of the Act as amended by the Senate amendment adds "rehabilitation engineering,"; "rehabilitation dentistry,"; "physical education," and "therapeutic recreation" to potential areas of shortage.

The House recedes.

133(b). Sec. 304(b)(1) of the Act as amended by the House bill further adds "specialized personnel in providing employment training for supported employment" as a potential area of shortage.

Sec. 304(b) of the Act as amended by the Senate amendment is similar, but also adds "other specialized personnel for those individuals who meet the definition of severely handicapped".

The House recedes.

134. Sec. 304(b)(1) of the Act as amended by the House bill strikes the last sentence in this subsection.

The Senate amendment contains no comparable provision.

The Senate recedes.

135(a). Sec. 304(b)(2)(A) of the Act as amended by the House bill limits grants of one course of study to 4 years.

The Senate amendment contains no comparable provision.

The Senate recedes.

135(b). Sec. 304(b)(2)(B) of the Act as amended by the House bill allows the limitation of 4 years to be modified if the "individual has a handicap which seriously affects the completion of training".

The Senate amendment contains no comparable provision.

The Senate recedes.

136(a). Sec. 304(b)(3)(A) of the Act as amended by the House bill requires scholarship recipients to work full-time for a nonprofit rehabilitation agency for 2 years for each year assistance was received.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment providing that (1) the host institution's responsibility ceases when the person graduates; (2) after "rehabilitation" insert "and other related agencies"; and (3) inserting "state agencies" after "non-profit".

136(b). Sec. 304(b)(3)(B) of the Act as amended by the House bill requires the recipient to "repay all or part of any scholarship received, plus interest" if the requirements of subparagraph (A) are not met.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment changing "Secretary" to "Commissioner".

137. Sec. 304(e)(1) of the Act as amended by the House bill authorizes the Commissioner to provide technical assistance to State rehabilitation agencies and rehabilitation facilities.

The Senate amendment contains no comparable provision.

The Senate recedes.

138. Sec. 304(e)(2) of the Act as amended by the House bill sets the maximum daily rate of a GS–18 for experts and consultants.

The Senate amendment contains no comparable provision.

The Senate recedes.

139. Sec. 304(f) of the Act as amended by the House bill authorizes such sums for Sec. 304 through fiscal year 1991.

Sec. 304(f) of the Act as amended by the Senate amendment authorizes the following:

[In millions of dollars]

Fiscal year:	
1987	31
1988	33
1989	35
1990	37

The House recedes with an amendment adding an authorization for fiscal year 1991 of $38,517,000.

140. Sec. 305(g) of the Act as amended by the House bill authorizes such sums through fiscal year 1991.

Sec. 305(g) of the Act as amended by the Senate amendment authorizes such sums through fiscal year 1990.

The Senate recedes.

141. Sec. 306(a) of the Act as amended by the House bill makes a technical correction Sec. 305 "(f)".

Sec. 306(a) of the Act as amended by the Senate amendment contains a similar provision.

The Senate recedes.

142. Sec. 310(a) of the Act as amended by the House bill authorizes such sums through fiscal year 1991, except for Sec. 316.

Sec. 310(a) of the Act as amended by the Senate amendment authorizes the following, except for Sec. 311(d), 311(e), and 316:

[In millions of dollars]

Fiscal year:	
1987	15.86
1988	16.79
1989	17.80
1990	18.90

The House recedes with an amendment adding an authorization for fiscal year 1991 of $19,675,000.

143. Sec. 311(a)(4) of the Act as amended by the House bill adds authority for special projects and demonstrations to meet the needs of isolated populations, particularly American Indians.

The Senate amendment contains no comparable provision.

The Senate recedes.

144(a). Sec. 311(d)(1) of the Act as amended by the House bill authorizes grants for special projects for supported employment.

Sec. 311 (d)(1)(A) of the Act as amended by the Senate amendment contains a similar provision.

The House recedes.

144(b). Sec. 311(d)(2) of the Act as amended by the House bill requires one such grant to be nationwide in scope.

Sec. 311(d)(1)(B) of the Act as amended by the Senate amendment contains a similar provision.

The House recedes.

145. Sec. 311(d)(3) of the Act as amended by the House bill requires RSA to submit a report to Congress on these supported employment grant projects annually, beginning June 1, 1988.

The Senate amendment contains no comparable provision.

The House recedes.

146. Sec. 311(d)(2) of the Act as amended by the Senate amendment authorizes grants for technical assistance to States in implementing title VI-C and requires one such grant to be nationwide in scope.

The House bill contains no comparable provision.

The House recedes.

147. Sec. 311(d)(3) of the Act as amended by the Senate amendment adds a reporting requirement for the technical assistance grants in Sec. 311(d)(2).

The House bill contains no comparable provision.

The House recedes.

148. Sec. 311(d)(4) of the Act as amended by the Senate amendment authorizes the following amounts for supported employment demonstrations and technical assistance grants:

[In millions of dollars]

Fiscal year:	
1987	9.00
1988	9.52
1989	10.00
1990	10.69

The House bill contains no comparable provision.

The House recedes with an amendment adding an authorization for fiscal year 1991 of $11,128,000.

149. Sec. 311(d)(4) of the Act as amended by the House bill allows States to use title I funds for training and traditional short-term postemployment services for supported employment, and allows supported employment to be paid for "out of funds under this title, Federal funds from other programs, or non-Federal sources".

The Senate amendment contains no comparable provision.

The House recedes because the policy in the House bill, as clarified in the Report accompanying the bill, is included in the Senate bill under the definition of the term "supported employment" and Title VI, part C as added by the Senate and modified by the conferees.

150. Sec. 311(d)(5) of the Act as amended by the House bill adds a definition of "supported employment".

The Senate amendment contains no comparable provision.

The House recedes.

151. Sec. 311(e) of the Act as amended by the Senate amendment directs the Commissioner to make three grants for developing, expanding and disseminating model statewide transitional planning services. The amendment requires one grant is to be made to a public agency in a predominantly urban State in New England for an existing model statewide transitional planning services program; one grant is to be made to a public agency in a predominantly rural western state; and one grant is to be made to a public agency or nonprofit private organization in a predominently rural southwestern state.

The House bill contains no comparable provision.

The House recedes.

152. Sec. 311(3)(5) of the Act as amended by the Senate amendment authorizes the following for the transitional planning grants:

[In millions of dollars]

Fiscal year:	
1987	450,000
1988	475,830
1989	504,427
1990	535,550

The House bill contains no comparable provision.

The House recedes with an amendment adding an authorization for fiscal year 1991 of $557,000.

153(a). Sec. 316(a)(1) of the Act as amended by the Senate amendment adds "independence" and "community integration" as program objects and adds other requirements.

The House bill contains no comparable provision.

The House recedes.

153(b). Sec. 316(a)(2) of the Act as amended by the Senate amendment further requires that grants shall be for a minimum of three years.

The House bill contains no comparable provision.

The House recedes.

154. Sec. 316(b) of the Act as amended by the House bill authorizes such sums through fiscal year 1991.

Sec. 316(b) of the Act as amended by the Senate amendment authorizes the following:

[In millions of dollars]

Fiscal year:	
1987	2.33
1988	2.47
1989	2.62
1990	2.78

The House recedes with an amendment adding an authorization for fiscal year 1991 of $2,894,000.

155. Sec. 400(a)(2) of the Act as amended by the Senate amendment adds a purpose statement for the National Council on the Handicapped.

The House bill contains no comparable provision.

The House recedes. In carrying out its functions under this Act, it is the conferees' intent that the National Council advise, brief and otherwise inform members and committees of Congress and agencies and departments of the executive branch regarding issues of importance to individuals with handicaps, particularly those described in the report "Toward Independence".

156. Sec. 400(b)(3) of the Act as amended by the House bill strikes "his" and inserts "such member's."

The Senate amendment contains no comparable provision.

The Senate recedes.

157. Sec. 400(c) of the Act as amended by the House bill strikes "Chairman" both places it appears and inserts "Chairperson".

The Senate amendment contains no comparable provision.

The Senate recedes.

158. Sec. 401(a)(4)(B) of the Act as amended by the Senate amendment requires the review of all statutes pertaining to Federal programs.

The House bill contains no comparable provision.

The House recedes.

159. Sec. 401(a)(5) of the Act as amended by the Senate amendment requires the assessment of the extent to which such policies, programs and activities provide incentives or disincentives.

The House bill contains no comparable provision.

The House recedes.

160. Sec. 401(a)(8) of the Act as amended by the Senate amendment is redesignated and adds "legislative proposals" to the information the Council should provide.

The House bill contains no comparable provision.

The House recedes.

161. Sec. 401(b) of the Act as amended by the House bill requires the Council to develop a system of national information and data collection on individuals with handicaps, to submit a plan for such system, and to require a report every 2 years on the changing status of individuals with handicaps.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment. (See # 162)

162. Sec. 401(b) of the Act as amended by the Senate amendment requires the Council to establish goals for the year 2000, issue a report in 6 months on strategies, and to submit an annual report on the progress of meeting these goals.

The House bill contains no comparable provision.

The Senate recedes with an amendment. The conference agreement provides that the National Council shall annually issue a report to the President and the Congress on the progress that has been made in implementing the recommendations contained in the Council's January 30, 1986 report "Toward Independence". Such report shall present, as appropriate, available data on health, housing, employment, insurance, transportation, recreation and education, and shall include appropriate information on the current status and trends in the status of individuals with disabilities. It is not the intent of the conferees that the Council construe this legislation as requiring the submission of an annual report if the Council does not deem such a report necessary.

163. Sec. 405 of the Act as amended by the Senate amendment authorizes such sums through fiscal year 1990.

The House bill contains no comparable provision.

The House recedes with an amendment adding an authorization of such sums for fiscal year 1991.

164. Sec. 501 of the Act as amended by the Senate amendment strikes "Office of Personnel Management" each time it appears and inserts "Equal Employment Opportunity Commission".

The House bill contains no comparable provision.

The House recedes.

165. Sec. 502(a)(1)(A) of the Act as amended by the House bill increases the number of Presidential appointees from 11 to 12, and to require that 6 rather than 5 of those appointees be individuals with handicaps.

The Senate amendment contains no comparable provision.

The Senate recedes.

166. Sec. 502(a)(1) of the Act as amended by the House bill requires the annual election of the vice-chairperson by a majority vote of the members and that the Chairperson rotate annually from public to Federal member.

The Senate amendment contains no comparable provision.

The Senate recedes.

167. Sec. 502(a)(2) of the Act as amended by the House bill allows a member whose term has expired to serve until a successor is appointed.

The Senate amendment contains no comparable provision.

The Senate recedes.

168. Sec. 502(a)(6) of the Act as amended by the House bill requires the Board to establish bylaws, including quorum requirements.

The Senate amendment contains no comparable provision.

The Senate recedes.

169. Sec. 502(d)(3) of the Act as amended by the Senate amendment strikes "Department of Health, Education and Welfare" and

"with respect overcoming to" and inserts "Department of Education" and "with respect to overcoming", respectively.

The House bill contains no comparable provision.

The House recedes.

170. Sec. 502(e)(2) of the Act as amended by the Senate amendment inserts "and" after the word "noncompliance".

The House bill contains no comparable provision.

The House recedes.

171. Sec. 502(g) of the Act as amended by the Senate amendment requires the Board to submit 2 additional reports by February 1, 1988.

The House bill contains no comparable provision.

The House recedes.

172. Sec. 503(c) of the Act as amended by the House bill strikes "he" both times it appears and "his" and inserts "the President" and "the", respectively.

The Senate amendment contains no comparable provision.

The Senate recedes.

173. Sec. 504 of the Act as amended by the Senate amendment strikes "7(7)" and inserts "7(8)".

The House bill contains no comparable provision.

The House recedes.

174. Sec. 507 of the Act as amended by the House bill adds "the Assistant Secretary of the Interior for Indian Affairs"; strikes "Chairman" the third time it appers and inserts "Chairperson".

The Senate amendment contains no comparable provision.

The Senate recedes.

175(a). Sec. 508(a) of the Act as added by the Senate amendment requires the Secretary to develop guidelines for electronic equipment accessibility.

The House bill contains no comparable provision.

The House recedes with an amendment adding "and the Administrator of the General Services Administration" after the word "Research".

175(b). Sec. 508(b) of the Act as added by the Senate amendment requires the Administrator of the General Services Administration to adopt such gudelines.

The House bill contains no comparable provision.

The House recedes.

175(c). Sec. 508(c) of the Act as added by the Seante amendment defines "special peripherals".

The House bill contains no comparable provision.

The House recedes. The Administrator of General Services shall submit no later than December 31st of each year an annual report on the progress of the implementation by Federal agencies of the regulations promulgated with GSA along with any recommendations and findings by the GSA's Interagency Committee for Computer Support of Handicapped Employees. For purposes of this section, equipment includes hardware, software and firmware.

176(a). Sec. 615(a)(1) of the Act as amended by the House bill adds "and the needs of Indian tribes" to the requirements the Secretary must consider when distributing title VI-A funds.

The Senate amendment contains no comparable provision.

The Senate recedes.

176(b). Sec. 615(c) of the Act as amended by the House bill adds "(including individuals residing on Indian reservations)".

The Senate amendment contains no comparable provision.

The Senate recedes.

177(b). Sec. 617 of the Act as amended by the House bill authorizes such sums through fiscal year 1991.

Sec. 617 of the Act as amended by the Senate amendment authorizes such sums through fiscal year 1990.

The Senate recedes.

178. Sec. 621(a)(1) of the Act as amended by the Senate amendment adds a purpose statement and redesignates the old paragraph "(a)" as "(2)".

The House bill contains no comparable provision.

The House recedes.

179. Sec. 621(a)(2) of the Act as amended by the Senate amendment revises the responsibilities of Projects with Industry, and requires Business Advisory Councils.

The House bill contains no comparable provision.

The House recedes.

180. Sec. 621(a)(3) of the Act as amended by the House bill strikes "each year of a funding cycle" and inserts "each project year".

Sec. 621(a)(4) of the Act as amended by the Senate amendment, as redesignated, retains current law.

The Senate recedes.

181. Sec. 621(b)(4) of the Act as amended by the House bill adds "(4)" provides assurances that an evaluation report containing data specified under subsection (a)(3) shall be submitted as determined by the Commissioner."

Sec. 621(b)(4) of the Act as amended by the Senate amendment adds "(4) provides assurances that an evaluation report containing data specified under subsection (a)(4) shall be submitted to the Commissioner."

The House recedes.

182. Sec. 621(d)(1) of the Act as amended by the Senate amendment authorizes the Commissioner to revise the PWI evaluation standards as necessary.

The House bill contains no comparable provision.

The House recedes.

183. Sec. 621(e) of the Act as amended by the House bill requires financial assistance for PWI grants to be effective for up to 5 years, contingent on the availability of appropriations, and directs the Commissioner to annually review the evaluations to determine the continued status of the agreements.

The Senate amendment contains no comparable provision.

The House recedes to the Senate and the Senate recedes to the House with an amendment providing that a portion of the funds

are to be used for the establishment of new centers in accordance with established timelines.

184. Sec. 621(e) of the Act as amended by the Senate amendment allows the Commissioner to provide technical assistance to PWI's.

The House bill contains no comparable provision.

The House recedes.

185. Sec. 621(f) of the Act as amended by the Senate amendment provides continued funding for 4 years to PWI's which meet the standards approved by the National Council.

The House bill contains no comparable provision.

The Senate recedes. The conference agreement directs the Commissioner to publish indicators for minimum compliance with evaluation standards for Projects With Industry. Such indicators shall be consistent with the evaluation standards under subsection (d)(1), as approved by the National Council on the Handicapped.

The conferees wish to recognize and support the efforts of the Human Resources Development Institute to involve the American trade union movement and their ability to serve the nation's individuals with disabilities.

186. Sec. 621(f)(3) of the Act as amended by the Senate amendment requires the consideration of past performance when competing for new grant awards.

The House bill contains no comparable provision.

The House recedes.

187. Sec. 621(g) of the Act as amended by the Senate amendment requires the Commissioner to give priority to geographic areas unserved or underserved.

The House bill contains no comparable provision.

The House recedes.

188. Sec. 623 of the Act as amended by the House bill authorizes such sums for fiscal year 1987 through 1991 for Sec. 621 and Sec. 622.

Sec. 623 of the Act as amended by the Senate amendment authorizes such sums for fiscal years 1987 through 1990 for Sec. 622 and the following authorization for Sec. 621:

[In millions of dollars]

Fiscal year:	
1987	16.070
1988	17.010
1989	18.030
1990	19.149

The House recedes with an amendment adding an authorization for fiscal year 1991 of $19,925,000.

189. Sec. 631 of the Act as added by the Senate amendment adds a new State grant program for supported employment.

The House bill contains no comparable provision.

The House recedes with an amendment striking "short-term" and inserting "traditionally time-limited". The conference agreement provides for training and traditionally time-limited postemployment services leading to supported employment. It is the intent of the conferees that the new title VI, part C program be used to

pay for such services. It is expected that other state agencies and organizations be responsible for the long-term support associated with this approach. For this reason, the conference agreement indicates that all services provided under this new part be of a limited time duration. However, the conferees recognize that these services will not be of a traditional nature and stress the importance of flexibility on the part of the State agencies in their organization of services under this part, in order that they respond to the individual needs of disabled individuals eligible for services under this program.

190. Sec. 632 of the Act as added by the Senate amendment outlines the eligibility.

The House bill contains no comparable provision.

The House recedes.

191. Sec. 633 of the Act as added by the Senate amendment provides for the allotting of funds.

The House bill contains no comparable provision.

The House recedes with an amendment to reference the territories consistent with current law.

192. Sec. 633(c) of the Act as added by the Senate amendment provides for planning grants which may not exceed 18 months or $250,000.

The House bill contains no comparable provision.

The House recedes.

193. Sec. 634 of the Act as added by the Senate amendment provides for the State plan requirements that must be met in order to receive a grant.

The House bill contains no comparable provision.

The House recedes with an amendment deleting in Sec. 634(b)(3)(A) "has been performed outlining" and inserting "describes" after "individuals". Further, in subsection (b)(3)(D) add "results" after "evaluation".

194. Sec. 635 of the Act as added by the Senate amendment describes the services which may be provided.

The House bill contains no similar provision.

The House recedes with an amendment inserting after "guardian)", "and consistent with the provisions of subsection (b),".

195. Sec. 636 of the Act as added by the Senate amendment requires separate data collection information for supported employment under title I and title VI-C.

The House bill contains no comparable provision.

The House recedes.

196. Sec. 637 of the Act as added by the Senate amendment does not prohibit a State from providing supported employment under title I.

The House bill contains no comparable provision.

The House recedes with an amendment changing "part" to "Act".

197. Sec. 638(a) of the Act as added by the Senate amendment authorizes the following:

[In millions of dollars]

Fiscal year:	
1987	25.00
1988	26.47
1989	28.06
1990	29.73

The House bill contains no comparable provision.

The House recedes with an amendment adding an authorization for fiscal year 1991 of $30,949,000.

198. Sec. 638(b) of the Act as added by the Senate amendment limits the applicability of Sec. 638(a) in any fiscal year in which the appropriation for title VI-C does not equal or exceed $5,000,000.

The House bill contains no comparable provision.

The House recedes with an amendment deleting in subsection (b)(1), "subsection", and inserting "section 634(a)", and deleting "of this section".

199. Sec. 702(a) of the Act as amended by the Senate amendment strikes "recreational activities" and inserts "recreational services".

The House bill contains no comparable provision.

The House recedes.

200. Sec. 703(c) of the Act as amended by the House bill strikes "he" both times it appears and inserts "the Commissioner".

The Senate amendment contains no comparable provision.

The Senate recedes.

201. Sec. 705(a)(5) of the Act as amended by the Senate amendment requires that the State will consider the recommendations of the new State Independent Living Council.

The House bill contains no comparable provision.

The House recedes.

202. Sec. 705(b) of the Act as amended by the House bill strikes "he" and inserts "the Commissioner".

The Senate amendment contains no comparable provision.

The Senate recedes.

203. Sec. 706(a) of the Act as added by the Senate amendment adds a requirement for a State Independent Living Council to be established in each State which will provide guidance to agencies and provide a 5 year plan to the State rehabilitation agency.

The House bill contains no comparable provision.

The House recedes.

204. Sec. 706(b) of the Act as added by the Senate amendment describes the composition requirements for the new Council.

The House bill contains no comparable provision.

The House recedes.

205. Sec. 706(c) of the Act as added by the Senate amendment describes the responsibilities and the selection process for the Chairperson of the new Council.

The House bill contains no comparable provision.

The House recedes.

206. Sec. 706(d) of the Act as added by the Senate amendment provides for other State councils which may be allowed to function as the State independent living council.

The House bill contains no comparable provision.
The House recedes.

207. Sec. 711(b)(3) of the Act is amended by the Senate amendment requires that each independent living center to have a board which is composed of a majority of handicapped individuals.
The House bill contains no comparable provision.
The House recedes.

208(a). Sec. 711(c)(E) of the Act as amended by the Senate amendment adds "recreation".
The House bill contains no comparable provision.
The House recedes.

208(b). Sec. 711(c)(F) of the Act as amended by the Senate amendment adds "recreational opportunities".
The House bill contains no comparable provision.
The House recedes.

208(c). Sec. 711(c)(K) of the Act as amended by the Senate amendment strikes "activities" and inserts "services".
The House bill contains no comparable provision.
The House recedes.

209. Sec. 711(d) of the Act as amended by the Senate amendment strikes "six months" and inserts "three months" which is the period following the opening of the application period after which RSA may accept applications from organizations and agencies other than the State agency.
The House bill contains no comparable provision.
The House recedes to the Senate and the Senate recedes to the House with an amendment providing that a portion of the funds are to be used for the establishment of new centers in accordance with established timelines. It is expected that the Congress will revisit this issue within the next five years in anticipation of the next reauthorization of this program.

210. Sec. 711(e)(1) of the Act as amended by the Senate amendment allows the Commission to revise the evaluation standards as are necessary.
The House bill contains no comparable provision.
The House recedes.

211. Sec. 711(g) of the Act as amended by the Senate amendment provides continued funding for Centers that meet the standards and application conditions for four years.
The House bill contains no comparable provision.
The House recedes to the Senate and the Senate recedes to the House with an amendment. The conference agreement directs the Commissioner to publish indicators for minimum compliance with evaluation standards for Centers for Independent Living. Such indicators shall be consistent with the evaluation standards under subsection (e)(1), as approved by the National Council on the Handicapped.

212. Sec. 711(h) of the Act as amended by the Senate amendment requires the consideration of past performances when Centers compete for new awards, and priority to be given to unserved or underserved geographic areas.

The House bill contains no comparable provision.

The House recedes to Senate and the Senate recedes to the House with an amendment. (See #211)

213. Sec. 721(a)(3) of the Act as amended by the House bill strikes "able to care for himself" and inserts "self-sufficient".

The Senate amendment contains no comparable provision.

The Senate recedes.

214. Sec. 741 of the Act as amended by the House bill authorizes such sums for Parts A, B, C, and D through fiscal year 1991.

Sec. 741 of the Act as amended by the Senate amendment authorizes the following:

[In millions of dollars]

	Part A	Part B	Part C	Part D
Fiscal year:				
1987	11.83	24.32	5.29	Such sums.
1988	12.31	25.75	5.60	Do.
1989	13.05	27.30	5.93	Do.
1990	13.86	28.98	6.30	Do.

The House recedes to the Senate with an amendment adding an authorization for fiscal year 1991 of $14,428,000 for Part A; an authorization for fiscal year 1991 of $30,168,000 for Part B; and an authorization for fiscal year 1991 of $6,558,000 for Part C.

215. Sec. 106 of the Act as amended by the House bill requires the Secretary to conduct an assessment of the indirect cost rates charges to State agencies and to submit a report to the Congress.

The Senate amendment contains no comparable provision.

The Senate recedes with an amendment adding an assessment of direct cost rates as well.

216. The House bill amends Sec. 205(a) of the Helen Keller National Center Act to authorize such sums through fiscal year 1989.

The Senate amendment amends Sec. 205(a) of the Helen Keller National Center Act to authorize such sums through fiscal year 1990.

The House recedes.

217(a). The House bill amends the Joint Resolution of July 11, 1949 to authorize such sums through fiscal year 1991.

The Senate amendment contains no comparable provision.

The Senate recedes.

217(b). The House bill amends the Joint Resolution of July 11, 1949 to require that PCEH be guided by the general policies of the National Council.

The Senate amendment contains a similar provision.

The Senate recedes.

218. Sec. 1003 of the Senate amendment requires that a State shall not be immune under the 11th Amendment for violations of Section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, or the provisions of any other

Federal statute prohibiting discrimination by recipients of Federal financial assistance. Subsection (b) further provides that the amendment shall take effect with respect to violations that occur in whole or in part after the date of enactment of this Act.

The House bill contains no comparable provision.

The House recedes with an amendment striking "this Act" and inserting "the Rehabilitation Act Amendments of 1986". By including this amendment to the Senate amendment, the conferees wish to make it clear that this provision is prospective from the date of enactment of these Amendments, and not retroactive with respect to the other Acts referenced herein.

219. Sec. 1001 of the House bill requires that this bill take effect October 1, 1986, except as otherwise stated.

Sec. 1004 of the Senate amendment requires that the amendment take effect October 1, 1986.

The House recedes to the Senate and the Senate recedes to the House.

220. The Senate amendment permits the Secretary to exclude expenditure made from an accrued fund reserve surplus in determining the level of State and local funds expended for the education of handicapped children.

The House bill contains no comparable provision.

The House recedes with an amendment adding a termination date of October 1, 1985.

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